

SENATE

SATURDAY, APRIL 30, 1932

(Legislative day of Friday, April 29, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.); and

H. R. 6662. An act to amend the tariff act of 1930, and for other purposes.

DEPARTMENT OF COMMERCE APPROPRIATIONS

Mr. SMOOT obtained the floor.

Mr. FESS. Mr. President, will the Senator yield to enable me to suggest the absence of a quorum?

Mr. SMOOT. I would prefer not to yield for that purpose. I am compelled to leave the Chamber soon.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. SMOOT. Mr. President, I have noticed in the RECORD some statements made with reference to the Department of Commerce bill and the appropriations made in the past as compared with the appropriations of to-day. I feel that the RECORD ought to be corrected. Therefore I ask for a few moments to do so.

I notice that the Senator from Mississippi [Mr. HARRISON] on two or three occasions referred to the Department of Commerce as having asked for \$54,000,000 in appropriations for the fiscal year 1933. In this he is wrong.

Mr. ROBINSON of Arkansas. Mr. President, has the Senator notified the Senator from Mississippi that he expected to make this address?

Mr. SMOOT. No; I have not.

Mr. ROBINSON of Arkansas. Then I shall suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator just declined to yield for that purpose.

Mr. SMOOT. It is only a question of figures.

Mr. ROBINSON of Arkansas. Very well. I withdraw the suggestion.

Mr. SMOOT. I merely want to put in the RECORD the actual figures.

The figures the Senator from Mississippi was quoting represent the total appropriation for the Department of Commerce for the current year. The total of the estimates submitted to this Congress for the Department of Commerce for next year was \$44,700,000. It will thus be seen that the department had made a very material cut and had acted on the basis of the \$54,000,000 appropriation just as the Senator from Mississippi suggested it should act.

The Senator also makes reference to the rapid expansion of the department during the period of Mr. Hoover's term as Secretary. A reference to the Budgets shows that for the fiscal year 1913, under the administration of President Wilson, \$15,300,000 was the total appropriation, whereas in 1920 the total appropriation was \$37,000,000, an increase of practically 150 per cent. This is on the same basis of comparison used by critics of the department. The appropriation for the fiscal year 1921 was \$24,200,000, and for the fiscal year 1928, the last one of Mr. Hoover's service as Secretary, the total appropriation was \$37,600,000, or an increase of about 56 per cent. It should be borne in mind that during the period that Mr. Wilson was President there were no new activities created in the Department of Commerce, nor were there any bureaus or agencies transferred to the department from other departments of the Government, whereas a large part of the increased cost during Mr. Hoover's term as Secretary can be easily accounted for in view of the transfer of the Bureau of Mines and the Patent

Office to the department from the Interior Department and the creation through an act of Congress of the aeronautics branch.

In view of the fact that we are now interested in the forthcoming appropriation bill for the Department of Commerce and many claims have been made as to the great increase in its expenditures, we should consider its appropriations in the light of what causes brought about the expansion. During the past three years, under a specific act of Congress for taking the decennial census, over \$39,000,000 have been appropriated in addition to the regular Budget of the Department.

Furthermore, any comparison of this character should take full cognizance of the transfer on January 1, 1923, to the Department of Commerce, under an act of Congress, of 121 employees from the Treasury Department engaged on customs statistics. The Aeronautics Branch, organized through an act of Congress, now has 2,349 employees and requires an appropriation of about \$10,000,000. The Patent Office was transferred to the Commerce Department April 1, 1925, and the Bureau of Mines July 1, 1925, both from the Department of the Interior. The employees of those two units now number 1,442 and 1,020, respectively. They should be excluded in making a comparison of costs over an 11-year period. With these additions taken into consideration, there has been an increase in the eight old bureaus of the department of about 1,700 employees in the 10½ years, or 1.7 per cent a year.

Omitting the extra cost of the census carried in 1922, the eight old bureaus had about \$21,700,000 appropriated for their use, whereas the estimates for 1933 for these same activities call for \$28,250,000, or an increase of about 30 per cent, and practically one-half of this amount is due to the classification of salaries through an act of Congress and subsequent increases on account of what are generally known as the Welch Act and the Brookhart Act. This is exceptionally small for a department which serves the business and marine interests. These increases have been made gradually in response to demands made on the department by industry, and in many instances to take care of duties imposed upon the department by Congress. Secretary Lamont explained this matter in detail before the Appropriations Committee of the House in supporting the estimates for the next fiscal year.

As I mentioned earlier, the increase in the expenditures of the Commerce Department during the past 11 years can be largely explained on the basis of figures over which the Secretaries had no control, but during the eight years under President Wilson there were no factors of this character to be taken into consideration.

In this connection as chairman of the Public Buildings Commission I would like to take occasion to respond to some of the criticisms which have been directed at Mr. Hoover and the present Secretary of Commerce regarding the new Department of Commerce Building in this city. Some critics appear to take keen delight in attempting to hold Mr. Hoover responsible for conceiving the idea of a new building, and for its construction as well as for the expense involved in erection. It would be enlightening to look into the facts.

In the annual report of Secretary Redfield for the fiscal year ended June 30, 1913, there appears a strong appeal for the construction of a new building to house the activities of the Department of Commerce. This recommendation was repeatedly made subsequently by Mr. Redfield, and in his annual report for 1918 he lists among the urgent needs of the department, "A Government-owned commerce building to house all services except the Bureau of Standards and the laboratory-aquarium of the Bureau of Fisheries."

In the annual report of Secretary of Commerce Alexander for the fiscal year 1920, the necessity for a permanent home for the department is again stressed in the following language:

One of the greatest needs of the department is a permanent home for the proper housing of its several bureaus and divisions. This matter has been repeatedly mentioned by my predecessor, who has covered the subject so thoroughly that I can only em-

phasize what has already been said. The Commerce Building, a rented structure, houses the divisions of the office of the Secretary, three of the department's bureaus, and portions of two others. The building is inadequate to the growing needs of the department, and it is obvious that, with the overcrowding and scattering of activities, results so highly desirable can not be obtained. It is earnestly recommended that steps be taken at an early date looking to the erection of a building suitably adapted to the efficient administration of the department.

Thus it appears that there can be no question as to the unanimous opinion of persons familiar with the activities of the Department of Commerce that the various organizations should be concentrated in one building.

The site upon which the Department of Commerce Building now stands was purchased by the Government in the year 1910 at a total cost of \$2,459,831.08. The act of June 30, 1906, which was amended on May 20, 1908, March 4, 1910, and June 25, 1910, was the authority for the purchase of this site. The purchase was made in 75 parcels, the title to the first being acquired January 27, 1910, and the title to the last parcel December 22, 1910.

In 1910 a competition was held in which commercial architects submitted designs and plans for the construction of a new Department of Commerce and Labor building and other Government buildings which were in contemplation at that time. The committee on awards on January 5, 1911, selected the plans and designs submitted by York & Sawyer for the new Department of Commerce and Labor Building. Questions were then raised as to whether existing legislation was sufficient to proceed with the contracts for the work. Numerous delays then occurred, and finally contracts for plans were canceled. The World War then occurred and caused further delay. It was not until the act of May 25, 1926, when the country was in a state of great prosperity, that legislative authorization was secured for the construction of the building. This authorization was on thorough and scientific study as a part of congressional plans to provide modern and efficient housing facilities, to eliminate the use of rented structures and war-time temporary buildings in a dilapidated condition, to protect invaluable records from irreparable loss by fire, and to bring together activities widely scattered over the city. The design of the building was approved August 16, 1927, and a contract for the first work in connection with the erection of a building was signed October 4, 1927.

The statement has been made that the new building contains 52 acres of floor space. This is probably based upon the gross ground area which the building occupies, without taking into consideration the six large courts. The floor space actually amounts to approximately 36.8 acres instead of 52 acres, as claimed.

The reference to a private elevator with two operators for the Secretary is also wholly misleading. The elevator referred to is available for the use not only of the Secretary of Commerce and his immediate staff but the employees in the whole section of the building in the vicinity of his office, including incoming and outgoing visitors to the entire suite of offices located there. It is difficult to understand the necessity for two operators on a single elevator.

Mr. McKELLAR. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. I would prefer not to do so; I am very anxious to conclude.

Mr. McKELLAR. I just want to ask the Senator how much it costs the Government to run that particular elevator?

Mr. SMOOT. No more than any other elevator that is in the building—not as much as our elevator here in the Capitol.

Mr. McKELLAR. About how much would that be?

Mr. SMOOT. I should think about \$375 a month. There are two employees on it, and then there would be whatever cost of upkeep might be attached to it.

While on this subject, it might be well to state that the claims that there is a watchman whose sole duty is to super-

vise the use of the elevator is untrue. There has never been nor is there now any person exercising any degree of supervision whatever as to the use of the elevator.

The Senator knows there is a private elevator in the Treasury Building, put there when the Treasury Building was first erected. It is operated to-day, and that elevator, I will say to the Senator, is used by the employees of the Government outside of the Secretary of the Treasury's own office.

Mr. McKELLAR. The Senator was addressing his remarks to me, I believe. I want to say to him that this is the first time I ever knew there was a private elevator for the Treasury Department. I do not have as much occasion to use it as the Senator from Utah.

Mr. SMOOT. But statements of various kinds as to the private elevator in the Department of Commerce Building have been heralded all over the United States and bandied back and forth on both sides of the Chamber, and so I thought I would state the facts in the case.

Mr. McKELLAR. Mr. President, I dislike to interrupt the Senator again.

Mr. SMOOT. I am nearly through.

Mr. McKELLAR. The Department of Commerce Building is such an enormous building for a comparatively recently created department that the size of it, as well as the cost of it, has rather astonished me. Why should we have constructed a building with 46 acres of floor space for the Department of Commerce when we have not done that for any other department of the Government?

Mr. SMOOT. Considering the governmental activities which have been transferred to that department, the floor space per employee will be found to be less than in most of the other Government buildings, I will say to the Senator.

Prior to the removal of various governmental activities to the new quarters, the personnel of the Department of Commerce was located in 14 different buildings scattered throughout the city. In every instance they were overcrowded. In many of the structures occupied by the Government the employees suffered from unbearable heat in summer and low temperature in winter, from drafts and poor ventilation, and from lack of natural light, as well as from congestion and other insanitary conditions.

While the loss to the Government because of scattered and inadequate housing can not be computed with any accuracy, some measure of these losses can be determined by considering individual items. The expense of one of several of our bureaus housed in temporary war-time structures which was forced to close on account of the excessive heat during the summer of 1930—and I might also include the summers of 1927, 1928, and 1929—indicates a direct loss of \$48,091.26. During one of the days of extreme heat I walked through some of those temporary buildings. The temperature was nearly 100°, and I did not see how people could live if they were compelled to spend the afternoon in those buildings under such circumstances. The conditions became so oppressive that it was decided to lay off the employees, and in one temporary building alone the loss thereby caused was \$48,091.26. The same conditions existed during the summer of 1931, and there is no reason to assume that they will not prevail again in the years to come.

The cost of the construction of the Department of Commerce Building has been about \$17,500,000, as authorized by Congress. The cost of the building was 62.5 cents per cubic foot. It is estimated that the annex to the House Office Building, now under construction, will cost 77 cents per cubic foot; the addition to the Senate Office Building will average 93 cents per cubic foot; the Supreme Court Building will cost about \$1.06 per cubic foot; the United States Chamber of Commerce Building in Washington cost 86 cents per cubic foot; the Empire State Building in New York City cost between 70 and 80 cents per cubic foot; the Chrysler Building in the same city cost 80 cents per cubic foot; the Sterick Building in Memphis, Tenn., cost 73.2 cents per cubic foot; the Philtower Building at Tulsa, Okla., 70 cents; the Watts Building, Birmingham, Ala., cost 75.5

cents per cubic foot. These figures regarding the cost of commercial buildings were taken from one issue of a monthly magazine. Undoubtedly hundreds of other instances could be cited if a review of building costs were to be made.

Instead of being in any sense an extravagance, the new Department of Commerce Building represents a decided economy to the Government. This building contains 1,002,631 square feet of office space and 89,370 square feet of storage space, which is sufficient to house all but one of the bureaus of the department which were formerly scattered about the city of Washington. This space at actual current rental values in Washington of \$2.25 per square foot for office space and \$0.40 for storage space represents a total yearly rental value to the Government of \$2,291,665.

I have been compelled on behalf of the Government to sign authorizations for the payment of such rentals for years and years, until I have become very tired of doing it.

Mr. McKELLAR. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield further to the Senator from Tennessee?

Mr. SMOOT. I yield.

Mr. McKELLAR. Let me ask the Senator what instrumentality of the Commerce Department is not housed in the building now? The Senator said one was not. Are not all the bureaus and services now housed in the one department building?

Mr. SMOOT. All that I mentioned are quartered in the new building to-day.

Mr. McKELLAR. We are not paying any rent on the outside at all?

Mr. SMOOT. Not for the buildings which the Government previously occupied.

Mr. McKELLAR. I mean for the Department of Commerce?

Mr. SMOOT. We are not. The actual cost to the Government, however, is considerably less than the amount I just mentioned. Taking into account complete amortization of the construction cost in 40 years (despite the fact that the permanency of construction insures practically indefinite life), interest on the total cost of the building and land, and annual maintenance charges, the yearly cost to the Government amounts to \$1,502,700.

Mr. McKELLAR. How much did we pay in rent?

Mr. SMOOT. Over \$2,000,000.

Mr. McKELLAR. As a matter of fact, there is quite a considerable saving that ought to be reflected in the pending appropriation bill, ought it not?

Mr. SMOOT. It has been, and much more than that. I referred to the 10 per cent cut—perhaps the Senator was not here at the time—and it means the death of some of the bureaus of that department of our Government. Taking into consideration, also, the annual taxes which would be paid on the land and building if it were owned and operated privately, and the income tax, based on an estimated return of 6 per cent, which would be paid by private owners, the total yearly cost to the Government is \$1,748,032. Thus the saving to the Government, represented by the difference between the total yearly rental value (\$2,291,665) and the total yearly cost (\$1,748,032) is \$543,633, or \$21,745,320 in the 40-year amortization period, an amount substantially in excess of the total cost of the building and land.

The Senator from Mississippi also alluded to the increase in the expenses of the White House under Mr. Hoover, and stated that in 1926, under Mr. Coolidge, the expense amounted to \$483,000, whereas in 1932, under Mr. Hoover, it was \$532,000. This is an increase of \$49,000, or practically 10 per cent. Members of Congress should be somewhat careful about the use of such data, for sooner or later some one is going to call attention to the fact that the appropriation for the Senate in 1926 was \$2,764,000, whereas for 1932 it was \$3,578,000, an increase of \$814,000, or nearly 30 per cent, and that the appropriation for the House was \$6,541,000 in 1926 and \$8,434,000 in 1932, an increase of \$1,893,000, or 28 per cent. I wonder whether we will be able to accomplish reductions in the appropriation for the House

and Senate to bring it down to only a 10 per cent increase over 1926, like the percentage of increase in the expenses of the White House.

Mr. President, I simply wanted the figures I have cited to go into the RECORD.

TAX BURDENS ON AGRICULTURE

Mr. HOWELL. Mr. President, yesterday I called attention to the mounting burden of farm indebtedness which threatens to engulf our agriculture. To-day I want to call attention to another factor in the farm situation which is equally distressing, namely, the enormous burden of taxation now levied upon agriculture. There is no industry in the country that is so tax ridden as agriculture, and there is no other great industry in this country that is less able to pay these taxes than agriculture.

Farm taxes in 1930 were 266 per cent or more than two and one-half times higher than the pre-war level. Mr. President, I wish to insert here a table showing how rapidly and progressively this tax burden has increased.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table referred to is as follows:

Index numbers of farm taxation (1910-1914=100)	
[Bureau of Agricultural Economics, U. S. Department of Agriculture]	
Year:	Taxes
1914	100
1915	102
1916	104
1917	106
1918	118
1919	130
1920	155
1921	217
1922	232
1923	246
1924	249
1925	250
1926	253
1927	258
1928	263
1929	267
1930	266

Mr. HOWELL. This table shows that, assuming the taxes paid by the farmer in 1914 were 100, they had increased to 155 in 1920, and in 1930 they had reached 266.

Mr. COPELAND. Mr. President, will the Senator yield? The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New York?

Mr. HOWELL. I yield.

Mr. COPELAND. Is not a large part of the increase in the farmer's tax represented by an increase in State taxation?

Mr. HOWELL. There is no question that a large part of the increase in the farmer's tax, especially in the Middle West, is due to the school tax, and also State taxes have increased. I was going to refer to the fact that these taxes were local; but, nevertheless, they are taxes, and they are a tremendous burden upon agriculture.

Mr. COPELAND. Mr. President, if the Senator will yield for just a moment further, let me say that in my native town, which the Senator knows well, Dexter, Mich., a man who came there from the country to take charge of a farmers' cooperative told me, if I remember the figures correctly, that when he moved into Dexter 20 years ago the taxes on his farm were \$60 a year; they are now \$240 a year, and he can not raise as much on that farm, or his tenant can not raise as much, as he formerly did, because the land is depreciating all the time, while all his implements and everything else he has to buy have increased in price. So I know from that one example—and I could cite others—that what the Senator has said is true. The farmer's taxes have enormously increased—increased locally, increased by reason of road appropriations, increased by reason of school taxes, and increased by reason of the enormous advance in the price of implements and materials used by the farmer.

Mr. HOWELL. I wish to say to the able Senator from New York that Michigan statistics afford a glaring example of the high ratios of the farmer's taxes to his income.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BRATTON in the chair). Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. HOWELL. I yield.

Mr. FESS. I was impressed with what the Senator from New York [Mr. COPELAND] said. The country generally is looking to us for a reduction of the burden of taxation on the farmers. I have been examining that question, and I find that in my own State, while the Federal Government during the last 10 years, until the depression came upon us, has reduced taxes almost one-third per capita, my own State has increased State taxes three times. The same thing is pretty generally true throughout the country; and yet the citizens of America seem to feel that Congress is responsible for the increased taxation.

Mr. HOWELL. Mr. President, even before the present depression, farm taxes were absorbing a large percentage of farm returns. Taxes absorbed 32.6 per cent of the rentals on Colorado farms in 1926; 29.8 per cent of the rentals on South Dakota farms in 1926; 20 per cent in Virginia; 54.3 per cent in Michigan in 1925; 41 per cent in Ohio in 1922; 27 per cent in Iowa in 1927. Undoubtedly the situation is much worse to-day.

A study of farm taxes in Wisconsin showed that in 1927 a total of 2,593,163 acres, or nearly one-fourth of the entire area of 17 northern counties in Wisconsin, were offered for sale for tax delinquency. Over five-sixths of this area had not been redeemed by the owners within almost a year following the sale. In one county, for example, delinquent taxes increased 600 per cent since 1919.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. COPELAND. I desire to add just one other note about the Michigan situation.

There is a little weekly paper published in Dexter, my native town, called "The Dexter Leader." I learned to set type in the office of that paper as an office boy and have been interested in it all these years. Prior to the last two or three years I do not remember seeing in that paper more than half a column of mortgage sales. It is shocking to read it now and find whole page and often a page and a half of mortgage sales in that small community, where the farmers have just given up, been unable to meet their payments, and mortgage sales have been advertised.

Mr. LONG. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. HOWELL. I do.

Mr. LONG. The figures which the Senator presents are very striking, showing the amount of taxes, as the Senator from New York calls attention to, that are being placed upon the farmers. Nevertheless, practically none of these taxes, I take it, are such that the farmers do not need to levy them in order to take care of community requirements, such as school taxes.

Does not that suggest—and I should like to have the attention of the Senator from New York on that point, as in line with our President's speech at Indianapolis—that the need of this country is not to take away from these people what they have, but to impose these taxes at the top, so that the big money-makers of this country could supply what is needed in this country, and not to have them falling at the bottom? Does it not suggest the need of such things as surtaxes on annual incomes and inheritance taxes such as would relieve the people at the bottom of farm life and labor life from having to carry such a burden of taxes as that?

Mr. HOWELL. Mr. President, not only have the farmers suffered from increased taxes, but the same condition has been prevalent throughout our cities. I have heard many complaints respecting taxes here in Washington, and yet the people of Washington do not know what taxation means. I can point out cities where the tax rate is 4 per cent on the assessed valuation; but, of course, to interpret such tax rates it is necessary in each case to know what proportion

the assessed valuation bears to the actual valuation. I know, however, that in my city, where the assessed valuation is very close to the actual valuation, the taxes this year will be about 3.2 per cent, as compared to about 1.90 per cent here in the city of Washington.

Mr. President, in Mississippi recently, I am informed, 60,000 farm homes, aggregating more than 7,000,000 acres, and constituting one-fourth of the farm lands of the State, were sold or offered for sale by 82 sheriffs for taxes.

Renick W. Dunlap, Assistant Secretary of Agriculture, in an address some months ago visualized the enormity of the farm-tax burden by pointing out that farmers yield every fifth day of their time in support of the Government; or, to put it another way, farmers work one year out of every five years in order to pay their taxes. In certain sections of the country taxes have risen so high, he explained, that they amount to the total value of the land every nine years. "In other words," he stated, "the farmers in those sections must buy their farms and pay for them every nine years." The total tax burden of the farmers is estimated at more than \$1,000,000,000 annually, which is equivalent to \$3,000,000 a day. "There is not any other industry in the United States whose taxes in any way compare with those of agriculture," he declared.

These tax burdens would be heavy enough in a period of high prices; but with the farm price level so disastrously low, farm taxes in many sections are virtually confiscatory, as shown by the large number of farms which have already been taken over by the States for unpaid taxes. How can the farmers expect to pay their taxes on 30 to 50 cent wheat, 5 to 10 cent eggs, 15-cent butter, and 5-cent cotton?

We hear a great clamor on every hand that the Federal Budget be balanced. I agree that this should be done; but if an equal amount of energy and diligence were applied to assisting the farmers of the Nation to balance their budget, we should have very little difficulty in balancing the Federal Budget. If agriculture were restored to prosperity by restoring its price level, our factories could be reopened, and large numbers of the unemployed could return to work to supply the needs of 44 per cent of our population, including other ruralists than farmers. The restoration of the farm purchasing power, and the revival of industry which would result therefrom, would restore the sources of Government revenue which have dried up as a result of the depression.

The most effective way to balance the Federal Budget and to create a surplus is to restore prosperity to the people of the country. We can not collect taxes from people who have no income. This Congress is spending too much time treating results instead of remedying causes. It is of little avail to give relief for rheumatic pains so long as the infection causing the pain is allowed to run rampant. Similarly, it is of little avail for us to extend credit to distressed agriculture and do nothing to remove the causes of its difficulties.

I recognize that the farm taxes to which I have alluded are largely local, not Federal. However, they are no less a fact; and there must be added thereto the indirect taxes of a Federal origin paid by the farmer.

What I want to emphasize is the enormous burden, in addition to his indebtedness, which the farmer is carrying, notwithstanding his buying power has been reduced one-half. The last report of the Department of Agriculture respecting farm indexes and what the farmer must pay for what he purchases indicates that he is receiving 59, as compared with 100, in 1914, and that he is paying for the things he buys 114, as compared to 100 in 1914. This injustice so far as his buying power is concerned rests squarely upon our national, social fabric, because it is not a question of the production of wealth, but of the distribution of wealth. For that reason the farmer is properly appealing for relief to Congress, the authority which has been created by the politico-social organization we call the United States to deal with such questions and appeals.

Mr. President, what are we going to do about it? As I have stated before, we have been in session nearly five months, and there is little more than a month remaining of the session. Not one constructive measure has been en-

acted into law to aid the farmer. He has been loaned money in certain sections of the country, where, through drought or grasshoppers or other cause, he has not had even the seed with which to plant his farm. But, Mr. President, that is simply treating a symptom, and it is something that might occur at any time. We have authorized the Reconstruction Finance Corporation to loan a certain proportion of its assets to agricultural credit associations; but the farmer has borrowed too much money already. What he needs is to earn some money.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. COPELAND. I think the Senator is entirely right. These men do not want to borrow money. They want markets for their crops. They want to sell them, and I find that this great problem of the farm is not located west of the Alleghenies alone. I may say to the Senator that I am having most appealing letters from farm homes in my own State of New York. We stand eighth in agriculture. We have diversity of crops in my section; but, in spite of that, there is great distress in the farm homes of New York, and I share with the Senator his thought that some solution must be found.

If the Senator will bear with me for a moment, I was much interested in the bill which the Senator presented the other day, the purpose of which, as I understand, is to make a test in one crop of the McNary-Haugen principle of the equalization fee in order that there may perhaps be a court test to determine its constitutionality. I am correct in that, am I?

Mr. HOWELL. The Senator is correct.

Mr. COPELAND. Every time I had an opportunity—I do not know whether it was two or three or four times—I voted for that bill because, as I see it, the equalization fee, being a variable amount, would act to discourage overproduction. Almost every scheme for farm relief that has been presented here has been one which, in the ultimate analysis, would increase production, and thus increase the evil, certainly not relieve it. It might relieve the symptoms, as the Senator has said, for a little while, but the cause of the disease would not be removed.

I hope the Senator will press that bill. I want to say that, so far as I am concerned, I am glad to support it, because I would like to see that plan tried. I discussed it time and time again with the Senator from Oregon, who worked so diligently at the time it was pending, from the beginning. We ought to make a test of it. All these other things have failed. Nothing we have done so far has been of any value whatever to the farmer.

The farmer's distress has increased from year to year, ever since we have tried to do anything, and it has increased out of proportion to the increase of distress in other walks of life. So I hope the Senator will press that measure, and that we may hope to have the Committee on Agriculture and Forestry report upon it so that it may be enacted into law, if possible, this coming month, because something must be done.

I agree fully with the Senator that the prosperity of the farmer determines the prosperity of the country. When there is an inability on the part of the farmer to sell his products, there are bread lines in my city. We have a common interest. I know I speak for the teeming millions of my city when I say that we realize there the necessity of the farmer, and we want to do what we can to aid him.

As the Senator has said, there is no relief in lending money to the farmer; it simply puts the farmer more into debt. It means he never will work out his problem. So I hope the Senator will press his proposed legislation, and let us have a test of that particular measure, in order that we may see whether or not it will operate to give some measure of relief.

Mr. HOWELL. Mr. President, I have not here on the floor, during the remarks I have made upon several occasions respecting agriculture, advocated a particular measure. I have merely advocated the enactment of some constructive measure for the benefit of the farmer, and I am willing to

accept anything that is offered that promises relief. What I am here talking about is that we have not done anything, that there is nothing before us, that the adjournment of Congress is near at hand, and I fear that we will close this session without even attempting to do anything constructive for the farmer. Each political party will have violated its promise to the farmers of the country, as set forth in the 1928 platforms.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. SHIPSTEAD. I beg to differ with the Senator. I think all political parties have kept their pledge to agriculture. They pledged themselves to see that agriculture and industry were placed upon an equality, and they have brought industry down to where agriculture was.

Mr. HOWELL. I beg the Senator's pardon. Industry is getting 114 for its products, as compared with 59 the farmer is getting. Conditions have brought industry down to 114, but while doing so the farmer has been reduced to 59.

Mr. SHIPSTEAD. Industry is on the road to bankruptcy with the farmer. They have not traveled quite so long as the farmer has in that direction, but they are getting down to equality.

Mr. HOWELL. Yes; but it is largely the 59 the farmer is receiving that is causing bankruptcy for industry.

Mr. SHIPSTEAD. Oh, yes; I agree with the Senator. Industry took so much from 1920 to 1930 that they destroyed their own markets, destroying the purchasing power of agriculture and labor as well.

Mr. HOWELL. Yes; the differential against the farmer nearly killed the goose that lays the golden egg.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. HOWELL. I yield.

Mr. CONNALLY. Let me ask the Senator from Nebraska a question. Some of us advocated the export debenture for agriculture. Does he not think that would be a help to agriculture, if we adopted it right now?

Mr. HOWELL. I advocated the export debenture plan when it was before the Senate.

Mr. CONNALLY. Does not the Senator think it would be helpful right now?

Mr. HOWELL. It would be, if the Treasury could stand it; but it would simply be pulling out another bung from the Treasury barrel at this time.

Mr. CONNALLY. Anything is going to cost money that will do the farmer any good, is it not?

Mr. HOWELL. Yes; but the question is not what we want in the way of legislation but what we can get. At this time I have no hope that Congress, endeavoring to fill up the Treasury, will adopt a plan which, as I suggested, would remove another bung from the Treasury barrel.

Mr. CONNALLY. Let me interrupt the Senator further. The Senate on two occasions adopted the debenture, and it would now be the law, except for the administration and the old House of Representatives, which was controlled by the administration. I wanted to call that to the Senator's attention when he was saying that both parties had broken their pledges. We tried to do it, but we could not do it because the administration and the former House of Representatives would not let us do it. Is not that true?

Mr. HOWELL. It is true; but what I am urging now is that we have been in session for five months, and we have not attempted to do anything for the farmer.

Mr. CONNALLY. I agree with the Senator.

Mr. HOWELL. We are about to adjourn; and I ask, Are we going to do anything? What does the Senator think about it?

Mr. CONNALLY. I do not think that the Congress or the Senate is going to do anything, because I do not think the administration will let Congress do anything.

Mr. HOWELL. Does the Senator feel that because he thinks the administration would defeat any plan we passed we should not act?

Mr. CONNALLY. No; and I was calling the Senator's attention to the fact that the Senate did act on two occa-

sions, but the administration defeated the plan. The Senator is stating that the plan he suggests would cost money. Has he any plan that will not cost something? We ought to go on and do our duty regardless of the administration, and I think the debenture is the only thing we could now do to open up foreign channels, and I am for it. I would vote for it to-morrow, and I am wondering whether the Senator would not vote for it to-morrow?

Mr. HOWELL. Mr. President, I am ready to vote for any measure that will aid the farmer. I am talking about a constructive measure. I am not talking about lending the farmer more money, or giving him more money, or donating more wheat.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. HOWELL. I yield.

Mr. LONG. There is a measure before Congress, I will say to the Senator, which would help. The trouble with the debenture is that there is not the money in the Treasury to take care of it. The further trouble is that too much taxes are on the backs of the weak. But we can supply the funds the Treasury needs for the debenture and to relieve the lower crust of this country of tax burdens if we will adopt a resolution instructing the Finance Committee not to allow wealth to be accumulated in the hands of a handful of people. In other words, instead of allowing 504 men to earn \$1,185,000,000, if we will let those 504 men earn \$504,000,000, and throw approximately \$700,000,000 into the Treasury of the United States, we will have money enough to support the debenture, and along the same line, we would have money enough to relieve the people of some of the taxes they are having to pay.

You can form any kind of a law you want to form chipping around at the top of the tree, but the only thing that is going to cure the farm-relief problem is the providing of money in the Treasury of the United States to assist the farmers; and the only way by which we can do that is by putting the taxes at the top. The only way we can cure this situation is to break up this abnormal, criminal, swollen-fortune system of the United States. That is the only cure, and a measure looking to that end is before this Congress. But it has as much chance of passing as a snowball has of going through a fireplace.

Mr. HOWELL. Mr. President, assuming that what the Senator from Louisiana has been saying is true, he admits it could not get through Congress; and I call the Senate's attention again to the fact that it does not make any difference what kind of legislation we want, if we want to get something, we will have to find something that will pass Congress.

As to the suggestion of the Senator from Texas that we apply the debenture plan, that would mean reducing the net income from duties which would otherwise reinforce the Treasury, while we are trying to fill up the Treasury. I do not believe Congress would consent at the present time, or that we could prevail upon the Congress within the next month, to pass a bill of that kind—neutralizing part of our efforts to fill the Treasury.

That is not the only possible form of relief which might be afforded, however. It is a fact that the production of wealth is governed by invariable laws. We can not by legislation change the rainfall, the fertility of the soil, the efficiency of the farmer. There are invariable laws governing those things. But when it comes to the distribution of wealth—and that is the farmer's trouble—the laws governing the distribution of wealth are not invariable. They are just what society makes them.

Mr. LONG. That is right.

Mr. HOWELL. Mr. President, the laws governing the distribution of wealth have been different in different ages; they are different in different countries to-day; and they can be still more different if society sees fit to make the change.

Congress, so far as the United States is concerned, is the agency of society to whom has been given the power and authority to do just that sort of thing. And we have done it. The railroads came to us in 1920 and said, "We are not

getting our share of the national income. We want you to fix prices for us so that we will get our share of the national income." And Congress did it, not indirectly but directly, for the first time in our history. By doing so, they changed the distribution of wealth in this country in a measure. They compelled more money to go out of the shipper's pockets and into the railroad's pockets than had gone before.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. HOWELL. Mr. President, in every one of the States, or in nearly all of them, there have been public-service commissions created which have fixed prices for electric-power plants for the past two or three decades. They have indulged in price fixing pure and simple, and what has been the consequence? Notwithstanding the present depression the power plants of this country had their banner year in 1930, so far as income was concerned. Last year the amount of income received by those electric power companies was only 1.2 per cent below what it was in 1930 and was 1.5 per cent more than it was in 1929, the banner year in the matter of gross income for the operating power companies of this country.

Senators will recall that the other day in New York Mr. Insull, president of the Midwest Utilities Co., in a plea in abatement respecting the receivership that had overtaken the Midwest, said that its operating companies had had their best year in 1931. The cause of the failure of the Midwest Utilities Co. was that it had \$37,000,000 of short-time paper coming due June 1 which it could not meet.

Mr. SHIPSTEAD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. HOWELL. I yield.

Mr. SHIPSTEAD. I wanted to call the attention of the Senator, because he mentioned high freight rates and the distribution of wealth, to the fact that before the Commerce Committee, of which the Senator is a member, there is pending a bill to provide for the completion of inland waterways in the hope of bringing an end to the embargo on goods which can not move on account of high railroad freight rates. The Senator talks of a program that the Congress ought to enact to remedy the evils from which we are suffering and to change the policies we have pursued which have brought us to the condition in which we now find ourselves.

I would like to ask the Senator if he does not think that one of the steps that ought to be taken is the completion of the inland waterways, so the people who are suffering from high freight rates may enjoy the lower cost of transportation which those waterways would afford?

Mr. HOWELL. Mr. President, I agree that we should go just as far as practicable in the improvement of our inland waterways for the purpose of reducing the freight that is paid by the agricultural interests upon their products to get those products to the seaboard; but while we are now considering the bill introduced by the Senator from Minnesota we have also been considering a bill to fix the prices for intercoastal shipping, something that has never been done before. We have a measure before the Commerce Committee which proposes another element changing the factors affecting the distribution of wealth in this country, because when we fix prices we necessarily affect the distribution of wealth, or else the fixing of prices would be futile.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Does the Senator from Nebraska yield to the Senator from Florida?

Mr. HOWELL. I yield.

Mr. FLETCHER. The Senator has alluded to the difficulties of agriculture. One of the difficulties is the low price level and the purchasing power of our dollar. I would like to ask the Senator if he does not think this measure would very greatly assist agriculture and solve perhaps our present credit problem? I refer to the bill S. 4229, which I introduced and which declares it to be policy

of the United States that the average purchasing power of the dollar as ascertained by the Department of Labor in the wholesale market for the year 1926 shall be restored and maintained by the expansion and contraction of credit and currency through the powers of the United States and its agencies.

I think if we could enact that legislation it would very greatly assist agriculture, because it would raise the price level of commodities. The bill provides a way of doing it, and makes it the duty of the Federal Reserve Board and other agencies of government to carry out that policy. I think that would be a very great help in fixing the purchasing power of the dollar at the index of 1926. There were 560 commodities examined for the years 1922 up to and including 1929, and the average is the year 1925. If we stabilize the purchasing power of the dollar at that figure and authorize and direct and make it mandatory for the Federal Reserve Board, through its agencies and the other agencies of government, to maintain it by expansion and contraction of credit at that index, I think our financial problem would be largely solved and it would greatly take care of the interest of agriculture.

Mr. HOWELL. I will say to the able Senator from Florida that I agree with him. I think most economists are agreed that whenever there is expansion of currency such as took place during the war, there is a rise in the commodity level, and that with a contraction of currency there is a fall in commodity level. If we are to judge the economic future of man by the past, as we do the political history of mankind, what is our fate?

Considering a comprehensive graph indicating commodity prices, we will note that after the inflation of 1815, following the Napoleonic wars, commodity prices continued to fall for 30 years. I do not mean to say that there were not some periods of prosperity in between, but every 10 years the commodity levels were lower than they were at the beginning of that 10-year period.

What took place in 1864? For 30 years after that inflation there was a fall in commodity level. If we are to judge the economic future by the economic past of man, what is going to take place? Why, we have just started on a period of fall in commodity prices. We have only covered 12 years of those 30 years. We have 18 years to go. Whereas some of the ablest economists will urge that they hope this will not be our fate, none of them will prophesy positively to the contrary. Unless something is done such as the Senator from Florida has proposed, we are probably in for a period of falling prices during which we may have periods of prosperity, but they will occur on a falling market.

That is what has affected agriculture. But for industrial products we have maintained the prices through the tariff. By effective legislation we have fixed and maintained prices for railroad services so that during the last nine years ending with 1931 they have been able to pay \$3,500,000,000 in dividends, and I am merely speaking of class 1 roads, and moreover they put aside \$2,500,000,000 of surplus.

But how with the farmer? As I pointed out yesterday, whereas his mortgage indebtedness in 1910 was only a little more than \$3,000,000,000, it had risen to \$9,500,000,000 last year. We have been fixing prices for others, but there is not the will of Congress, apparently, to do as much for the agricultural industry. True, we say to the farmer "We have given you a tariff just as we have given industry a tariff," but he answers, "A tariff on steel means what to me? It means that an industry with less than 20 concerns in the business is able to control its prices because they can have their managers or other representatives gather together at luncheon every noon for the adjustment of prices." Then he points out that one of those 20 concerns produces more than one-half of all the steel, and the consequence is that the 19 others wisely conclude that intelligent cooperation is the best thing for them.

But the farmer continues and says, "There are 6,300,000 farm factories in this country, and we can not get together." There are certain bovines—among them the yak—that can

not consume corn while our domestic cattle can. The situation is like saying to the owner of bovines of that character, "Here is corn, a well-known food for cattle." He answers, "It does not do for my stock." But, we urge, "It is feed." "Yes," he would reply, "it is feed for some, but not for my stock."

So it is with the tariff. It is a help for industry with limited numbers of concerns producing different products, but it is little help so far as price-fixing is concerned, in the case of an industry including 6,300,000 farm factories. We have not treated the farmer with equality in fact; only apparently, that is all.

Mr. President, I had not intended to extend my remarks as I have, but I again want to ask what we are going to do about it. Are we going to adjourn without doing for the farmer? Remember, he knows that if the will is in Congress to act, it can act, and that the excuse that the Executive may not cooperate is not valid—it is merely passing the buck. Only a little more than a month remains of this session of the Congress. Something must be done or we will have to go back and tell the farmer "There is no hope for you. Congress will not act."

The farmer was once a serf. He became a peasant. Not until he came to this country did the farmer develop as we have known him. What took place in this country? For decades upon decades he was subsidized with cheap land, free land, but that subsidy ceased along about the beginning of this century. Now he is dependent for his income upon the profits of the operation of his farm. Those profits have never been large. In fact, such returns have always been below those which are the lot of other industries. Back in the minds of many is the thought, "How can we help the farmer? History will repeat itself; he is on his way down the economic scale; it is his fate. And, Mr. President, history is beginning to repeat itself."

In closing, I want to invite attention once again that the question involved is one of the distribution of wealth and not of the production of wealth. We are affecting the distribution of wealth constantly here in the Halls of Congress, and the question is whether we are willing to alter the rules and laws controlling the distribution of wealth in behalf of the farmer. If not, let us tell him so, and we will tell him so if this Congress adjourns next June without constructive action in agriculture's behalf.

STATE, JUSTICE, JUDICIARY, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the next amendment.

The next amendment of the Committee on Appropriations was, under the heading "Bureau of Mines, salaries, and general expense," on page 103, line 23, after the name "District of Columbia," to insert "including maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle for general bureau use"; on page 104, line 1, after the designation "Secretary of Commerce," to strike out "\$80,350" and insert "\$70,000"; and in line 2, after the word "exceed," to strike out "\$72,945" and insert "\$63,945," so as to read:

Salaries and general expenses: For general expenses, including pay of the director and necessary assistants, clerks, and other employees, in the office in the District of Columbia, and in the field, and every other expense requisite for and incident to the general work of the bureau in the District of Columbia, including maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle for general bureau use, and in the field, to be expended under the direction of the Secretary of Commerce, \$70,000, of which amount not to exceed \$63,945 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 104, line 18, after the word "aprons," to strike out "\$435,325" and insert "\$440,325," so as to read:

Investigating mine accidents: For investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other inquiries and technologic investigations pertinent to the mining industry, including all equipment, supplies, and expenses of travel and subsistence, purchase not exceeding \$2,400, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots, and aprons, \$440,325, of which amount not to exceed \$77,310 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 105, at the end of line 4, to strike out "\$10,835" and insert "\$9,000," so as to read:

Mining investigations in Alaska: For investigations and the dissemination of information with a view to improving conditions in the mining, quarrying, and metallurgical industries as provided in the act authorizing additional mining experiment stations, approved March 3, 1915 (U. S. C., title 30, sec. 8), and to provide for the inspection of mines and the protection of the lives of miners in the Territory of Alaska, including personal services, equipment, supplies, and expenses of travel and subsistence, \$9,000.

The amendment was agreed to.

The next amendment was, on page 106, line 1, before the word "for," to strike out "\$17,440" and insert "\$15,640"; and in line 2, after the name "District of Columbia," to strike out "\$340,355" and insert "\$306,000," so as to read:

Operating mine-rescue cars and stations: For the investigation and improvement of mine rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods, including the exchange in part payment for, operation, maintenance, and repair of mine rescue trucks, and motor-propelled passenger-carrying vehicles for official use in field work, the expenditure for the purchase of passenger-carrying vehicles not to exceed \$4,200, the construction of temporary structures and the repair, maintenance, and operation of mine rescue cars and Government-owned mine rescue stations and appurtenances thereto, personal services, traveling expenses and subsistence, equipment, and supplies; travel and subsistence, and other incidental expenses of employees in attendance at meetings and conferences held for the purpose of promoting safety and health in the mining and allied industries; the purchase and exchange in part payment thereof of cooks' uniforms, goggles, gloves, and such other articles or equipment as may be necessary in the operation of mine rescue cars and stations, including not to exceed \$15,640 for personal services in the District of Columbia, \$306,000.

The amendment was agreed to.

The next amendment was, on page 106, line 17, after the name "District of Columbia," to strike out "\$136,000" and insert "\$155,000," so as to read:

Testing fuel: To conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of mineral fuels, and for investigation of mineral fuels belonging to or for the use of the United States, with a view to their most efficient utilization; to recommend to various departments such changes in selection and use of fuel as may result in greater economy, and upon request of the Director of the Bureau of the Budget, to investigate the fuel-burning equipment in use by or proposed for any of the departments, establishments, or institutions of the United States in the District of Columbia, \$155,000, of which amount not to exceed \$30,700 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 107, line 9, after the name "District of Columbia," to strike out "\$125,000" and insert "\$145,000," so as to read:

Mineral mining investigations: For inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and utilization of ores and mineral substances, other than fuels, with a view to improving health conditions and increasing safety, efficiency, economic development, and conserving resources through the prevention of waste in the mining, quarrying, metallurgical, and other mineral industries; to inquire into the economic conditions affecting these industries; and including all equipment, supplies, expenses of travel and subsistence, and the purchase, not to exceed \$2,500, including exchange, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, including not to exceed \$17,000 for personal services in the District of Columbia, \$145,000.

The amendment was agreed to.

The next amendment was, on page 108, line 3, after the word "aprons," to strike out "\$146,215" and insert "\$200,000," so as to read:

Oil and gas investigations: For inquiries and investigations and dissemination of information concerning the mining, preparation, treatment, and utilization of petroleum and natural gas, including economic conditions affecting the industry, with a view to economic development and conserving resources through the prevention of waste; for the purchase of newspapers relating to the oil, gas, and allied industries: *Provided*, That section 192 of the Revised Statutes (U. S. C., title 5, sec. 102) shall not apply to such purchase of newspapers from this appropriation; and for every other expense incident thereto, including supplies, equipment, expenses of travel and subsistence, purchase, not to exceed \$7,000, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots, and aprons, \$200,000, of which amount not to exceed \$24,940 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 108, line 15, before the word "of," to strike out "\$220,000" and insert "\$200,000," and in line 16, before the word "may," to strike out "\$15,700" and insert "\$14,200," so as to read:

Mining experiment stations: For the employment of personal services, purchase of laboratory gloves, goggles, rubber boots and aprons, the purchase not to exceed \$3,000, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, and all other expenses in connection with the establishment, maintenance, and operation of mining experiment stations, as provided in the act authorizing additional mining experiment stations, approved March 3, 1915 (U. S. C., title 30, sec. 8), \$200,000, of which amount not to exceed \$14,200 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 108, at the end of line 25, to strike out "\$78,185" and insert "\$70,000," so as to read:

Buildings and grounds, Pittsburgh, Pa.: For care and maintenance of buildings and grounds at Pittsburgh and Bruceton, Pa., including personal services, the purchase, exchange as part payment for, operation, maintenance, and repair of passenger automobiles for official use, and all other expenses requisite for and incident thereto, including not to exceed \$5,000 for additions and improvements, \$70,000.

The amendment was agreed to.

The next amendment was, on page 110, line 1, after the word "including," to strike out "a motor-propelled passenger-carrying vehicle" and insert "motor-propelled passenger-carrying vehicles," so as to read:

Government fuel yards: For the purchase and transportation of fuel; storing and handling of fuel in yards; maintenance and operation of yards and equipment, including motor-propelled passenger-carrying vehicles for inspectors, purchase of equipment, rentals, and all other expenses requisite for and incident thereto, including personal services in the District of Columbia, the unexpended balance of the appropriations heretofore made for these purposes is reappropriated and made available for such purposes for the fiscal year 1933, and for payment of obligations for such purposes of prior years, and of such sum not exceeding \$500 shall be available to settle claims for damages caused to private property by motor vehicles used in delivering fuel.

The amendment was agreed to.

The next amendment was, on page 112, line 2, after the word "exceed," to strike out "\$20,000" and insert "\$17,000," and in line 4, to strike out "\$61,020" and insert "\$50,000," so as to read:

For investigations of resources of helium-bearing gas and the conservation thereof, and of processes and methods of producing, storing, purifying, and utilizing helium and helium-bearing gas, including supplies and equipment, stationery, furniture, expenses of travel and subsistence, purchase, not exceeding \$1,200, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots and aprons, and all other necessary expenses, including not to exceed \$17,000 for personal services in the District of Columbia, \$50,000.

The amendment was agreed to.

The next amendment was, on page 114, line 12, before the word "of," to strike out "\$225,000" and insert "\$250,000," so as to read:

Economics of mineral industries: For inquiries and investigations, and the dissemination of information concerning the economic problems of the mining, quarrying, metallurgical, and other mineral industries, with a view to assuring ample supplies and efficient distribution of the mineral products of the mines and quarries, including studies and reports relating to uses, reserves, production, distribution, stocks, consumption, prices, and market-

ing of mineral commodities and primary products thereof; preparation of the reports of the mineral resources of the United States, including special statistical inquiries; and including personal services in the District of Columbia and elsewhere; purchase of furniture and equipment; stationery and supplies; typewriting, adding and computing machines, accessories and repairs; newspapers; traveling expenses; purchase, not exceeding \$1,200, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; and for all other necessary expenses not included in the foregoing, \$250,000, of which amount not to exceed \$221,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 15, line 23, after the word "exceed," to strike out "\$3,500" and insert "\$2,500," so as to read:

For the purchase or exchange of professional and scientific books, law books, and books to complete broken sets, periodicals, directories, and other books of reference relating to the business of the Bureau of Mines, there is hereby made available from any appropriations made for such bureau not to exceed \$2,500.

The amendment was agreed to.

The next amendment was, on page 116, line 6, after the words "in all," to strike out "\$3,000" and insert "\$1,000," so as to read:

For necessary traveling expenses of the director and employees of the bureau, acting under his direction, for attendance upon meetings of technical, professional, and scientific societies, when required in connection with the authorized work of the Bureau of Mines and incurred on the written authority of the Secretary of Commerce, there is hereby made available from any appropriations made to the Bureau of Mines not to exceed in all \$1,000.

The amendment was agreed to.

The next amendment was, on page 116, line 7, to change the total appropriation for the Bureau of Mines from \$1,858,335 to \$1,895,325.

The amendment was agreed to.

The next amendment was, under the heading "Title IV.—Department of Labor, office of the Secretary," on page 116, line 12, after the name "District of Columbia," to strike out "\$201,060; in all, \$216,060" and insert "\$185,000; in all, \$200,000," so as to read:

Salaries: Secretary of Labor, \$15,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia, \$185,000; in all, \$200,000.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, Department of Labor," on page 117, line 12, after the words "in all," to strike out "\$61,800" and insert "\$55,500," so as to read:

For contingent and miscellaneous expenses of the offices and bureaus of the department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including the purchase of stationery, furniture, and repairs to the same, carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges, laundry, street-car fares not exceeding \$200; lighting and heating; purchase, exchange, maintenance, and repair of motor cycles and motor trucks; maintenance, operation, and repair of a motor-propelled passenger-carrying vehicle, to be used only for official purposes; freight and express charges; newspaper clippings not to exceed \$1,800, postage to foreign countries, telegraph and telephone service, typewriters, adding machines, and other labor-saving devices; purchase of law books, books of reference, newspapers, and periodicals, not exceeding \$5,000; in all \$55,500; and in addition thereto such sum as may be necessary, not in excess of \$25,000 to facilitate the purchase, through the central purchasing office as provided in the act approved June 17, 1910 (U. S. C., title 41, sec. 7), of certain supplies for the Immigration Service, shall be deducted from the appropriation "Salaries and expenses, Bureau of Immigration" made for the fiscal year 1933 and added to the appropriation "Contingent expenses, Department of Labor," for that year; and the total sum thereof shall be and constitute the appropriation for contingent expenses for the Department of Labor, to be expended through the central purchasing office (Division of Publications and Supplies), Department of Labor.

The amendment was agreed to.

The next amendment was, on page 118, at the end of line 14, to strike out "\$275,000" and insert "\$240,000," so as to read:

Printing and binding: For printing and binding for the Department of Labor, including all its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere \$240,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Labor Statistics," on page 118, line 25, after the word "bureau," to strike out "\$533,337" and insert "\$450,000," and on page 119, line 1, after the word "exceed," to strike out "\$434,830" and insert "\$370,030," so as to read:

Salaries and expenses: For personal services, including temporary statistical clerks, stenographers, and typewriters in the District of Columbia, and including also experts and temporary assistants for field service outside of the District of Columbia; traveling expenses, including expenses of attendance at meetings concerned with the work of the Bureau of Labor Statistics when incurred on the written authority of the Secretary of Labor; purchase of periodicals, documents, envelopes, price quotations, and reports and materials for reports and bulletins of said bureau, \$450,000, of which amount not to exceed \$370,830 may be expended for the salary of the commissioner and other personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Immigration," on page 120, line 1, before the word "all," to strike out "\$10,519,460" and insert "\$9,500,000," and in line 3, before the word "may," to strike out "\$385,530" and insert "\$300,000," so as to read:

Salaries and expenses: For enforcement of the laws regulating the immigration to, the residence in, and the exclusion and deportation from the United States of aliens, and persons subject to the Chinese exclusion laws; salaries, transportation, traveling, and other expenses of officers, clerks, and other employees appointed to enforce said laws; care, detention, maintenance, transportation, and traveling expenses incident to the deportation and exclusion of aliens, and persons subject to the Chinese exclusion laws, as authorized by law, in the United States and to, through, or in foreign countries; purchase of supplies and equipment, including alterations and repairs; purchase, exchange, operation, maintenance, and repair of motor-propelled vehicles, including passenger-carrying vehicles for official use in field work; cost of reports of decisions of the Federal courts and digests thereof for the use of the Commissioner General of Immigration; refunding of head tax, maintenance bills, immigration fines, registry fees, and reentry permit fees, upon presentation of evidence showing conclusively that collection and deposit was made through error of Government officers; and for all other expenses necessary to enforce said laws; \$9,500,000, all to be expended under the direction of the Secretary of Labor, of which amount not to exceed \$300,000 may be expended for the salary of the Commissioner General and other personal services in the District of Columbia, including services of persons authorized by law to be detailed there for duty, and \$2,194,180 shall be available only for coast and land border patrol.

Mr. JONES. I ask that the amendment in line 1, page 120, may be disagreed to and that the amendment which I send to the desk may be adopted.

The PRESIDING OFFICER (Mr. Fess in the chair). The amendment to the amendment will be stated.

The CHIEF CLERK. On page 120, line 1, it is proposed to strike out "\$9,500,000" and insert "\$9,450,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. JONES. On page 120, in line 7, after the word "and," I move to amend by inserting the words "not to exceed."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 120, line 7, after the word "and," where it occurs the first time, it is proposed to insert the words "not to exceed."

The amendment was agreed to.

Mr. JONES. In the same line I move to strike out the word "only."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 120, line 7, after the word "available," it is proposed to strike out the word "only," so as to read:

Shall be available for coast and land border patrol.

Mr. COPELAND. Mr. President, let me ask the chairman of the committee why he desires to strike out the word "only" in line 7?

Mr. JONES. The bill as reported reads:

And \$2,194,180 shall be available only for coast and land border patrol.

It was not thought wise to limit that appropriation to a particular use, but we do authorize the department to use

the \$2,194,180 for that purpose unless it deems it wise to use some part of it for some other purpose along the same line. In other words, as the language originally was, the department would have had to use every dollar of it for that particular purpose or not use it at all. So we have left the discretion in the department, but have provided the same amount.

Mr. COPELAND. The money will be used, however, for the coast and land border patrol in the same manner?

Mr. JONES. Yes.

Mr. COPELAND. So it does not change the real effect of the appropriation?

Mr. JONES. No; I do not think so.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington. The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, in the items for the expenses of the Bureau of Immigration, on page 120, line 8, after the word "exceed," to strike out "\$92,250" and insert "\$80,000"; in line 11, after the words "sum of," to strike out "\$92,250" and insert "\$80,000"; and in line 12, after the word "than," to strike out "\$75,000" and insert "\$70,000," so as to make the proviso read:

Provided, That not to exceed \$80,000 of the sum herein appropriated shall be available for the purchase, including exchange, of motor-propelled passenger-carrying vehicles, and of such sum of \$80,000 not more than \$70,000 shall be available for the same purposes for the coast and land border patrol.

The amendment was agreed to.

The next amendment was, in the items for expenses of the Bureau of Immigration, on page 120, line 22, after the word "exceed," to strike out "\$70,000" and insert "\$65,000," so as to make the further proviso read:

Provided further, That not to exceed \$65,000 of the total amount herein appropriated shall be available for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat. 818), not to exceed \$1,700 for any person.

The amendment was agreed to.

The next amendment was, on page 121, at the end of line 5, to strike out "\$50,000" and insert "\$30,000," so as to read:

Immigration stations: For remodeling, repairing (including repairs to the ferryboat *Ellis Island*), renovating buildings, and purchase of equipment, \$30,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Naturalization," on page 122, line 5, after the word "prescribe," to strike out "\$1,075,770" and insert "\$975,770," and in line 6, before the word "may," to strike out "\$239,260" and insert "\$215,000," so as to read:

Salaries and expenses: For the expenses of carrying on the work of the Bureau of Naturalization, as provided in the acts authorizing a uniform rule for the naturalization of aliens throughout the United States, and establishing the Bureau of Naturalization, approved June 29, 1906, and March 4, 1913, and subsequent acts (U. S. C., title 8, secs. 331-416; U. S. C., Supp. V, title 8, secs. 355-384); including personal services; traveling expenses, and not to exceed \$400 for expenses of attendance at meetings concerned with the naturalization of aliens when incurred on the written authority of the Secretary of Labor; street-car fare, telegrams, verifications of legal papers, telephone service in field offices and telephone toll service in the bureau; necessary supplies and equipment for the Naturalization Service; refunding of naturalization fees upon presentation of evidence showing conclusively that the collection and deposit was made through error; not to exceed \$25,000 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; and for mileage and fees to witnesses subpoenaed on behalf of the United States, the expenditures from this appropriation to be made in the manner and under such regulations as the Secretary of Labor may prescribe, \$975,770, of which not to exceed \$215,000 may be expended for the salary of the commissioner and other personal services in the bureau in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Children's Bureau," on page 122, line 25, after the word "expenses," to strike out "\$395,500" and insert "\$375,500," and on page

123, line 1, before the word "may," to strike out "\$320,760" and insert "\$305,000," so as to make the paragraph read:

Salaries and expenses: For expenses of investigating and reporting upon matters pertaining to the welfare of children and child life, and especially to investigate the questions of infant mortality; personal services, including experts and temporary assistants; traveling expenses, including expenses of attendance at meetings for the promotion of child welfare when incurred on the written authority of the Secretary of Labor; purchase of reports and material for the publications of the Children's Bureau and for reprints from State, city, and private publications for distribution when said reprints can be procured more cheaply than they can be printed by the Government, and other necessary expenses, \$375,500, of which amount not to exceed \$305,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Women's Bureau," on page 123, line 9, after the word "exceed," to strike out "\$149,680" and insert "\$134,000," so as to read:

For carrying out the provisions of the act entitled "An act to establish in the Department of Labor a bureau to be known as the Women's Bureau," approved June 5, 1920 (U. S. C., title 29, secs. 11-16; U. S. C., Supp. V, title 29, secs. 12-14), including personal services in the District of Columbia, not to exceed \$134,000.

Mr. SHIPSTEAD. I ask that that amendment be disagreed to. I have an amendment on the desk that I should like to offer.

The PRESIDING OFFICER. The Senator from Minnesota offers an amendment to the committee amendment, which will be stated.

The CHIEF CLERK. In lieu of the committee amendment proposing to insert "\$134,000," it is proposed to strike out "\$134,000" and insert "\$136,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota to the amendment reported by the committee.

Mr. JONES. I have no objection to the amendment to the amendment.

Mr. BINGHAM. Mr. President, let me inquire if the amount by which the appropriation is increased would not have to come out of some other item? I have understood that wherever an increase was made in one item there would have to be a corresponding reduction in some other item.

Mr. JONES. This is merely a limitation.

Mr. BINGHAM. It does not affect the total?

Mr. JONES. No.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Minnesota to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 123, in line 11, after the word "expenses," to strike out "\$179,900" and insert "\$160,000," so as to read:

Purchase of material for reports and educational exhibits, and traveling expenses, \$160,000, which sum shall be available for expenses of attendance at meeting concerned with the work of said bureau when incurred on the written authority of the Secretary of Labor.

The amendment was agreed to.

The next amendment was, under the subhead "Employment Service," on page 123, line 7, before the word "of," to strike out "\$320,000" and insert "\$720,000," and in line 8, before the word "may," to strike out "\$54,930" and insert "\$48,230," so as to read:

To enable the Secretary of Labor to foster, promote, and develop the welfare of the wage earners of the United States, including juniors legally employed, to improve their working conditions, to advance their opportunities for profitable employment by regularly collecting, furnishing, and publishing employment information as to opportunities for employment; maintaining a system for clearing labor between the several States; cooperating with the Veterans' Administration to secure employment for veterans; cooperating with and coordinating the public employment offices throughout the country, including personal services in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings concerned with the work of the employment service when specifically authorized by the Secretary of Labor; supplies and equipment, telegraph and telephone service,

and miscellaneous expenses, \$720,000, of which amount not to exceed \$48,230 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 124, line 9, after the name "District of Columbia," to insert the following proviso:

Provided, That no part of this appropriation shall be expended for the establishment or maintenance of any employment office unless suitable space therefor can be found in a Federal building or is furnished free of rent by State, county, or local authority, or by individuals or organizations.

The amendment was agreed to.

The next amendment was, on page 124, line 14, to strike out the following additional proviso:

Provided further, That no part of this appropriation shall be used to pay any salary in any field employment office at an annual rate in excess of \$2,000, except one director in each State whose salary shall not exceed \$3,000, and 23 managers of the veterans' employment service whose salary shall not exceed \$2,400.

The amendment was agreed to.

The next amendment was, under the subhead "United States Housing Corporation," on page 125, line 21, after the words "in all," to strike out "\$15,000" and insert "\$14,000," so as to read:

Salaries and expenses: For officers, clerks, and other employees, and for contingent and miscellaneous expenses, in the District of Columbia and elsewhere, including blank books, maps, stationery, file cases, towels, ice, brooms, soap, freight and express charges, communication service, travel expense, printing and binding not to exceed \$150, and all other miscellaneous items and expenses not included in the foregoing and necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Secretary of Labor, and to collect the amounts advanced to transportation facilities and others; for payment of special assessments and other utility, municipal, State, and county charges or assessments unpaid by purchasers, and which have been assessed against property in which the United States Housing Corporation has an interest, and to defray expenses incident to foreclosing mortgages, conducting sales under deeds of trust, or reacquiring title or possession of real property under default proceeding, including attorney fees, witness fees, court costs, charges, and other miscellaneous expenses; for the maintenance and repair of houses, buildings, and improvements which are unsold; in all, \$14,000.

The amendment was agreed to.

The next amendment was, in the items for the United States Housing Corporation, on page 125, line 22, after the word "exceeding," to strike out "\$4,900" and insert "\$4,000," so as to make the proviso read:

Provided, That no person shall be employed hereunder at a rate of compensation exceeding \$4,000 per annum, and only one person may be employed at that rate.

The amendment was agreed to.

The next amendment was, on page 126, after line 2, to strike out:

SEC. 2. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary, available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act (1) to increase the compensation of any position within the grade to which such position has been allocated under the classification act of 1923, as amended, (2) to increase the compensation of any position in the field service the pay of which is adjustable to correspond so far as may be practicable to the rates established by such act as amended for the departmental service in the District of Columbia, (3) to increase the compensation of any position under such act through reallocation, (4) to increase the compensation of any person in any grade under such act through advancement to another position in the same grade or to a position in a higher grade at a rate in excess of the minimum rate of such higher grade unless such minimum rate would require an actual reduction in compensation, or (5) to increase the compensation of any other position of the Federal Government under such departments and the Judiciary, other than commissioned officers of the Coast and Geodetic Survey; and so much of the acts of February 23, 1931 (U. S. C., Supp. V, title 22, sec. 3a), and February 21, 1931 (U. S. C., Supp. V, title 8, sec. 109), as provides automatic increases of salary, respectively, for Foreign Service officers and immigrant inspectors shall not be operative during the period between the date of the approval of this act and June 30, 1933: *Provided*, That no additional credits for service shall be allowed to any commissioned officer in the Coast and Geodetic Survey for purposes of base or period pay, or for longevity pay before July 1, 1933; any increase of base or period pay for length of service, or longevity pay, which would have been authorized under existing law before that date, shall become effective

July 1, 1933, and not earlier, notwithstanding the provisions of any other act: *Provided further*, That from the date of this act to and including June 30, 1933, payment for personal services made in accordance herewith shall constitute payment in full for such services. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes, but shall be impounded and returned to the Treasury, and a report of the amounts so impounded for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

The amendment was agreed to.

The next amendment was, on page 127, after line 22, to strike out:

SEC. 3. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act to pay the compensation of an incumbent appointed to any position under the Federal Government which is vacant on the date of the approval of this act or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply to absolutely essential positions the filling of which may be approved in writing by the President of the United States, or in the case of the positions of officers or employees paid out of the appropriations for the Supreme Court of the United States by the Chief Justice of the United States. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session.

The amendment was agreed to.

The next amendment was, on page 128, after line 18, to insert:

SEC. 3. No appropriation under the Departments of State, Justice, Commerce, and Labor, and the judiciary available during the fiscal years 1932 and/or 1933 shall be used after the date of the approval of this act to pay the compensation of an incumbent appointed to any position under the Federal Government which is vacant on the date of the approval of this act or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filling of which may be authorized or approved in writing by the President of the United States, either individually or in groups, or (b) to temporary, emergency, seasonal, and co-operative positions. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between the date of the approval of this act and October 31, 1932, shall be submitted to Congress on the first day of the next regular session: *Provided*, That such impounding of funds may be waived in writing by the President of the United States in connection with any appropriation or portion of appropriation when, in his judgment, such action is necessary and in the public interest.

Mr. JONES. Mr. President, I desire to offer an amendment to that amendment. There is a provision which we intended to put in with reference to the Supreme Court that was omitted from the committee amendment.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment on page 129, line 4, after the words "United States," it is proposed to insert "or, in the case of the positions of officers or employees paid out of the appropriations for the Supreme Court of the United States, by the Chief Justice of the United States."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 129, after line 18, to strike out:

SEC. 4. No part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, station wagons, and ambulances) at a cost, delivered and completely equipped for operation, in excess of \$750, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for

maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only when the same is approved by the head of the department. This section shall not apply to any motor vehicles for official use of the Secretary of State, the Attorney General, the Secretary of Commerce, and the Secretary of Labor.

And insert:

SEC. 4. No part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, ambulances, and station wagons) at a cost, completely equipped for operation, in excess of \$750, except where, in the judgment of the department, special requirements can not thus be efficiently met, such exceptions, however, to be limited to not to exceed 10 per cent of the total expenditures for such motor vehicles purchased during the fiscal year, including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment, except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary, and then only when the same is approved by the head of the department. The limitations of this proviso shall not apply to any motor vehicle for official use of the Secretary of State, the Attorney General, the Secretary of Commerce, and the Secretary of Labor.

The amendment was agreed to.

The next amendment was, on page 131, line 17, after the word "provision," to insert a colon and the following proviso: "Provided, That this section shall not apply to the appropriation for 'Emergencies arising in the Diplomatic and Consular Service,' or to appropriations containing specific rates for subsistence or waivers of the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto," so as to make the section read:

SEC. 5. No part of any appropriation made by this act shall be used to pay actual expenses of subsistence in excess of \$6 each for any one calendar day, or per diem allowance for subsistence in excess of the rate of \$5 for any one calendar day, to any officer or employee of the United States, and payments accordingly shall be in full notwithstanding any other statutory provision: *Provided*, That this section shall not apply to the appropriation for "Emergencies arising in the Diplomatic and Consular Service," or to appropriations containing specific rates for subsistence or waivers of the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. The bill is on its second reading and open to amendment.

Mr. REED. I move the adoption of the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 131, after line 22, it is proposed to insert the following:

SEC. 6. Not to exceed 12 per cent of any of the foregoing appropriations for the Departments of State, Justice, Commerce, and Labor may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations for the fiscal year 1933 under the same department, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

Mr. REED. Mr. President, I have submitted this amendment to the chairman of the Appropriations Committee, to the Senator from Tennessee [Mr. McKellar], and to other Senators who have been interested in this matter, and I have the impression that it is satisfactory to all of them. In effect it does not run counter to the action of the Senate in reducing the total appropriation of the bill by 10 per cent. It merely allows transfers between the items of appropriation, with the approval of the Director of the Budget, in the same manner as it is now done and has been done

for years past in the National Guard items of the Army appropriation bill. It recognizes that, with the speed with which the Appropriations Committee has had to work, it could not, in all cases, work out a completely satisfactory result, and, for this one year only, the amendment allows these exchanges to be made between the items of appropriation without increasing the total.

Mr. McKellar. Mr. President, may I interrupt the Senator?

Mr. REED. Certainly.

Mr. McKellar. I am wondering what is the meaning of the language in lines 6 and 7 of the amendment, reading as follows:

but no appropriation shall be increased more than 15 per cent by such transfer.

I assume that the Senator means by that that in transferring a maximum of 12 per cent from one appropriation to another the appropriation for that particular item shall not in any case be increased more than 15 per cent?

Mr. REED. Exactly.

Mr. McKellar. I am not sure that that language is sufficiently definite. Will the Senator look at it, and will the chairman of the committee also cast his eye on it?

Mr. Jones. Mr. President, I have examined that amendment, and I think the idea expressed in the amendment is as stated, namely, that a particular appropriation item shall not be increased more than 15 per cent.

Mr. McKellar. Ought there not be the same amount, 12 per cent?

Mr. Jones. I thought so at first, but I came to the other conclusion.

Mr. REED. It will be seen that in dealing with the reduced amount which is to be increased there is a lower base for the calculation of the percentage than on the higher amount which is to be decreased, and I think it comes to about the same result.

Mr. McKellar. I want to say that, of course, I realize this is not good legislation, and ordinarily I would certainly oppose it. I have asked the Senator from Pennsylvania to make it apply on its face only to this year, and that has been done. At this late date there might be some inequalities which we have not ironed out; but the amendment provides that the Budget Director and the department shall furnish the next Congress, or the proper committees of the next Congress, with exact details, and hereafter it will not be necessary, of course, to give this additional authority to the department; but for the first year, in view of the action of the committee and of the Senate in agreeing to these reductions, I am rather inclined to think that a provision of this kind would not be improper provisionally.

Mr. Jones. I agree with the sentiments expressed by the Senator from Tennessee. I think, under the circumstances, this is a very wise provision, and, of course, it applies, as I understand, only to this bill?

Mr. REED. Only to this bill and only for this year.

Mr. Jones. Yes.

Mr. Connally. Mr. President, I want to ask the Senator from Pennsylvania, in case of a transfer from a larger sum to a smaller sum, does his percentage apply to both?

Mr. REED. Yes; it applies to both. The smaller sum could not be increased more than 15 per cent.

Mr. Connally. That is the question I wanted to raise. Under the amendment, if there was a large sum in which there could be made a substantial cut, all of it could not be transferred over to a smaller item, could it?

Mr. REED. Oh, no; by no means.

Mr. Connally. To do so would increase the smaller item more than 15 per cent. Now, what I have in mind particularly is this: Under the cut as made here originally the committee took up with the various departments suggestions as to what they would do in the event of these cuts.

In the case of the Bureau of Fisheries, for instance, the department answered back that if we adopted these 10 per cent cuts, they were going absolutely to abandon, I think, about 11 of the Federal fish hatcheries. Some of those hatcheries have been owned by the Government for 30 or

40 years. They own the property, and they have investments. My thought was that if we are going to have elasticity, the matter ought to be sufficiently elastic that the department could not just arbitrarily injure its own service, because to suspend operations entirely in these plants would mean that the property would deteriorate. There ought to be sufficient elasticity so that they could transfer sufficient funds from other appropriations.

In the case of this particular item, suppose the department could properly take an item out of this appropriation and put it in this one, and take another one from that one, and another one from that one, and by trimming a number they could sufficiently build up the appropriation; yet, under the Senator's amendment, no matter how many savings they could accomplish in other places, they could not increase any one item over 15 per cent. That is not elasticity.

Mr. REED. It is only partial elasticity, I confess; but I do not believe we could get Congress to agree to any greater elasticity.

Mr. McKELLAR. Mr. President, I want to say to the Senator from Texas that I am sure that is the case. So far as the particular bureau he has just mentioned is concerned—the Bureau of Fisheries—of course the department, as long as it has the money to conduct a fish hatchery, has no right to discontinue it, because as yet the Congress still controls the question of whether there shall or shall not be a fish hatchery. On the other hand, by this process it is believed that just such a proposal as the Senator has in mind can be effectuated by the department; and there were considerations of this kind that led me to overcome a rather determined opposition to lump-sum appropriations.

I never have believed in lump-sum appropriations. I do not believe in them now. I think it is unwise legislation to make lump-sum appropriations. At the same time, however, in view of the cuts that are made this late in the year, it does seem to me that there ought to be some leeway. I have so expressed myself to the Senator from Pennsylvania [Mr. REED]; and I think, under the circumstances, it ought to be done.

Mr. REED. I thank the Senator.

Mr. CONNALLY. Mr. President, I want to ask the Senator from Washington, in charge of this bill, a question in regard to the amendment of the Senator from Pennsylvania. I am in sympathy with the amendment. It is only as to the second section of the amendment that I am raising any question. I agree that there ought to be an elasticity whereby the department could allocate these funds, but I do not want to hamstring the department by saying that no one item can be increased more than 15 per cent.

In the view of the Senator from Washington, would this amendment enable the Department of Commerce, in the allocation of these funds, to correct the situation which I called to the attention of the Senate a moment ago with reference to these fish hatcheries?

Mr. JONES. It would be a great deal better than without this amendment. In view of our reduction of 10 per cent under the orders of the Senate, I think this amendment is a very desirable one. I think it will help very much.

Mr. CONNALLY. I agree with the Senator.

Mr. JONES. It may not meet the whole situation. I doubt if it will. As I remember the language of the amendment, it does not allow us to increase a particular item more than 15 per cent.

Mr. REED. That is right.

Mr. CONNALLY. I understand that, and that is what I was complaining about.

Mr. JONES. That is better than the limitation.

Mr. CONNALLY. Oh, it is better than nothing, of course.

Mr. JONES. Yes.

Mr. CONNALLY. Now, let me ask the Senator from Tennessee a question. The Senator from Tennessee has been leading the fight for these arbitrary reductions.

Mr. McKELLAR. Mr. President, I hope the Senator does not think they are arbitrary reductions. We make the reductions, not on an arbitrary plan at all but after going over each item and merely reducing the aggregate.

Mr. CONNALLY. I assume whatever opprobrium goes with that term, because I voted with the Senator.

Mr. McKELLAR. I have had a whole lot of opprobrium, so I am used to it. Go ahead.

Mr. CONNALLY. I take my share, because I voted with the Senator. Knowing his great anxiety to serve the American people by lessening their burdens at this time, I was glad to support his plan.

Mr. McKELLAR. I thank the Senator.

Mr. CONNALLY. Is it the Senator's view that the amendment of the Senator from Pennsylvania will enable the Department of Commerce so to change these figures as to take care of the situation which I mentioned with reference to fish hatcheries?

Mr. McKELLAR. I have no doubt whatsoever of it. If I had any doubt about it, I would be perfectly frank to state it to the Senator; but I think it can be done.

Mr. CONNALLY. The point I make is that the department of hatcheries ought not just to abandon properties in which the Government has millions of dollars invested, but rather it ought to lessen its activities at all of these stations, so as to maintain the present organization everywhere. Lessening the activities at all the stations certainly is to be preferred to abandoning plants which in some cases have been under Government control as long as 40 years.

I want to get into the Record the views of Senators, so that the department will know that it is to remedy that sort of a situation that we are adopting the amendment of the Senator from Pennsylvania.

Mr. McKELLAR. I want to say to the Senator that I have not a doubt of it. Instead of lessening their activities if they do not have quite so much money to spend, I think it will probably increase their activities and be better for the service. I believe there will be no abandonment of any of the functions of which the Senator has spoken.

Mr. CONNALLY. I was about to say that I do not regard it as any real economy for the Government now to abandon a project temporarily, and then later have to go back and take it up at the expense of much more money than we will save. If, on the other hand, we can take care of the matter by this amendment, I am heartily in favor of it.

Mr. JONES. I want to say that I am in hearty accord with the sentiment expressed by the Senator with reference to the plan that should be followed in connection with these various plants.

Mr. CONNALLY. That is, of slowing down activities everywhere?

Mr. JONES. Yes; slowing them down everywhere, rather than abandoning one entirely.

Mr. CONNALLY. Rather than abandoning one at any particular point?

Mr. JONES. I agree with the Senator.

Mr. CONNALLY. And that is the view of the committee?

Mr. JONES. That is my view.

Mr. CONNALLY. The Senator is chairman of the committee. Does he not reflect the views of the committee?

Mr. JONES. That matter was never discussed in the committee, I will say frankly to the Senator; but I agree absolutely with that.

Mr. CONNALLY. I thank the Senator.

Mr. BRATTON. Mr. President, in connection with the discussion relating to the operation of fish hatcheries under the Bureau of Fisheries, the item is found at page 97 of the bill. It was reduced from \$986,730 to \$886,730, a cut of \$100,000, practically 10 per cent, and accordingly was in harmony with the resolution adopted by the Senate directing the committee to cut the total of the bill 10 per cent under the House figures.

In my own State we have a new hatchery, just being completed, at a cost of about \$50,000. It is almost ready to be placed in operation. I am told by the Director of the Bureau of Fisheries that under this cut as it now stands that hatchery, although it is completed and fully equipped and ready for operation, can not be placed in service for one year, but that with an additional sum of only \$3,000 that hatchery could be placed in operation without delay.

Is it the view of the Senator from Washington, chairman of the committee, that under this amendment offered by the Senator from Pennsylvania funds could be diverted from one branch of a department to another branch of the same department to meet an emergency of that kind?

Mr. JONES. I understand so. I think so. It is thoroughly interchangeable.

Mr. BRATTON. Mr. President, I favor the principle involved in the amendment. We are making drastic cuts. I favor making them. Conditions require us to make them. I believe that a provision of this kind would soften the shock and would permit a department to meet the emergencies with less disturbance.

I hope very much that the amendment will be adopted; and I hope, too, that before Congress adjourns we will pass a joint resolution to accord the same privilege to the Department of the Interior. The appropriation bill for that department has passed and been approved and is now a law. It does not contain any such provision as this. I think we should pass a joint resolution giving that department the same privileges that is embodied in the amendment now proposed by the Senator from Pennsylvania [Mr. REED]. I hope this amendment will be adopted. None of us wants to make the administration of a department too inconvenient or too difficult.

Mr. McKELLAR. That would be all right if the provision were made applicable only to appropriations made this year for the ensuing year, just as is provided here.

Mr. BRATTON. Oh, certainly. I think the privilege should be confined to the particular appropriation bills we are now passing for the next fiscal year.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania [Mr. REED].

Mr. COSTIGAN and Mr. TRAMMELL addressed the Chair. The amendment was agreed to.

The PRESIDENT pro tempore. The Senator from Colorado.

Mr. TRAMMELL. Mr. President, I move a reconsideration of the amendment. The Chair disregarded at least two Senators who were addressing the Chair for the purpose of having something to say, and proceeded with the vote. I move to reconsider the vote.

Mr. REED. I ask unanimous consent that the vote be reconsidered.

The PRESIDENT pro tempore. Without objection, the vote will be reconsidered. Meantime, the Chair has recognized the Senator from Colorado [Mr. COSTIGAN].

Mr. COSTIGAN. Mr. President, confirming what the Senator from New Mexico [Mr. BRATTON] has stated, I hold in my hand responsible protests from Colorado citizens and certain branches of the Izaak Walton League of America, indicating that the appropriation, in the form in which it was reported by the Senate committee, will result in closing important and desirable fish hatcheries in the State of Colorado. I hope, therefore, that the amendment of the Senator from Pennsylvania [Mr. REED] will be adopted and that the interpretation given to it by the chairman of the committee having this bill in charge, will have the effect of keeping those and similar hatcheries open.

AMERICAN WOMEN AND THE CHILDREN'S BUREAU

While speaking, Mr. President, I desire to add that the Senate has to-day acted on an appropriation for the Children's Bureau, just 20 years after that bureau was created and within the shadows of the lamented death at Rockford, Ill., of our eminent countrywoman, Miss Julia C. Lathrop, who was the first chief of that bureau. It is trebly appropriate to pause to have placed in the RECORD an article on the purposes and work of the Children's Bureau in the last two decades, prepared by Miss Grace Abbott, another of America's most distinguished women.

Miss Abbott succeeded Miss Lathrop as chief of the Children's Bureau in 1921. Her public services, like those of Miss Lathrop and of their brilliant recently deceased coworker, Mrs. Florence Kelley, are rooted in the fine traditions of Hull House, Chicago, over which presides Miss

Jane Addams, another American woman of world-wide fame. The bureau is, therefore, a living monument to the public devotion and leadership of noble American womanhood. Miss Abbott's admirable mind, heart, and trained efficiency have won respect and honor, here and abroad, for her and for the humane and humanizing governmental activities she directs.

I trust, Mr. President, that unanimous consent will be given to have printed in the RECORD, as part of my remarks, the article by Miss Abbott, which was published in the New York Times of April 10, 1932.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

VICTORIES FOR CHILD WELFARE WON IN THE LAST TWO DECADES—DELINQUENCY, EXPLOITATION, AND DEATH RATIOS LOWERED AND HOME RESTORED TO IMPORTANCE SINCE CHILDREN'S BUREAU STARTED

By Grace Abbott

On April 9, 1912, the bill creating the United States Children's Bureau was signed by President Taft. It had been proposed by the first White House Conference on Child Welfare, and President Roosevelt in his message to Congress recommending its passage shortly after the conference said:

"It is not only discreditable to us as a people that there is now no recognized and authoritative source of information upon these subjects relating to child life but in the absence of such information as should be supplied by the Federal Government many abuses have gone unchecked; for public sentiment, with its great corrective power, can only be aroused by full knowledge of the facts."

Three years after this appeal to Congress by President Roosevelt and after President Taft had also recommended its passage, the Children's Bureau, with Julia C. Lathrop as the first chief, began to function as a national center of information, of research and education as to the needs of the whole child and the interrelated problems of health, dependency, delinquency, and the employment of children. The task which was assigned to the Children's Bureau by Congress 20 years ago is not completed. It meets the proverbial description of women's work—it is never done.

There have, however, been important accomplishments in these two decades, of which the following are examples:

In 1912 the birth-registration area had not been established, and facts about even so important a subject as the number of babies that were born or died each year were not available.

In 1932 the United States birth-registration area comprises 46 States and the District of Columbia.

INFANT MORTALITY DECREASED

In 1912 it was estimated that 300,000 babies died during the first year of life. In 1930, in spite of a large increase in population, it was estimated that about 150,000 died. The mother of the 1912 baby was, as a rule, less well prepared to care for him and expert assistance was much more generally available for the 1932 baby. Because his mother knows more about the value of sunlight, of cod-liver oil, and the importance of milk and fruit and vegetables, the child of to-day is much less apt to have rickets and is more frequently a healthy, well-developed child. The 1932 child is much less apt to die of diphtheria and scarlet fever than the 1912 child.

In 1912 there were some 2,000,000 children over 10 and under 16 years of age employed in gainful occupations in the United States (according to the 1910 census, 1,990,225). Complete figures for 1930 are not yet available, but in 44 States and the District of Columbia 609,729 children of these ages were employed. This decrease can not all be considered a permanent gain, however, because unemployment conditions in 1930 affected children as well as adults.

In 1912 only two States had mothers' pensions laws. Now 45 States and the District of Columbia have such laws. In 1912 in a large number of communities delinquent children were tried, convicted, and punished under our criminal laws. Now all but two States have juvenile court laws and 13 have family courts, and organized juvenile court and probation service has been extended from the large cities, where it first originated, to many small towns and rural communities.

In 1912 only one State had a bureau of child health; to-day 47 States have such bureaus. Only one State then had created a bureau of child welfare to promote the interest of dependent, neglected, and delinquent children. To-day more than half the States have such bureaus or divisions of State welfare departments. In 1912 the movement for country-wide health and social services had not been initiated. To-day approximately one-sixth of the counties have adopted organized county plans for health or social service or both.

In 1912 only one State had a State commission for the study of child welfare legislation; since 1912 more than half the States have created child welfare commissions to consider the needs of children, and State legislation relating to children has been coordinated and modernized.

RELATIVE PROGRESS

Progress is, after all, relative. We want to know not only how far the United States has gone in safeguarding childhood but how our

gains compare with those of other countries. The general trend of the infant death rate has been downward. It is estimated that in 1912 out of every 1,000 babies born alive 124 died during the first year of life; in 1920 the death rate was 86, and in 1930, 64 in the United States birth-registration area. This is very encouraging until one compares these rates with the rates for New Zealand. In that little island 68 babies out of every 1,000 born alive died in 1910, 51 in 1920, and 34 in 1930. The New Zealand rate in 1930 was lower than the lowest rate for any State. It was 47 per cent lower than the rate for the United States birth-registration area. The irreducible minimum for the United States has not been reached when the death rate in New Zealand is 47 per cent lower than in our own country.

The experience of the United States and of other countries with both higher and lower death rates among babies is that while new scientific discoveries have contributed to the great saving of infant life in the last 20 years, the most important factor has been that the parents of 1932 know more about the scientific care of children than did those of 1912, and they are using more intelligently the knowledge and skill of the physician.

PARENTS AND CHILD CARE

Parents of to-day know more because they are given more and better opportunities to learn the best methods of child care. Less expensive and more practical books giving the general principles of child care are now available and widely used. Free distribution of Government publications is traditional in the United States, but the appropriation of the Children's Bureau has never enabled it to meet the demand for its popular bulletins.

The Superintendent of Documents reports that from the date of their publication to 1932 nearly 2,000,000 of these bulletins have been sold and more than 10,000,000 distributed free.

While child specialists a generation ago were usually called only to care for sick children, to-day many of them are devoting as much as a third of their time to the supervision of well children. The great teaching agency is the child-health center. First started by infant-welfare societies in the larger urban centers, their number has greatly increased in recent years. Centers have been established in many small towns and rural communities with the assistance of the State governments and of the Federal Government from 1921 to 1929. But hardly more than a beginning has been made in making these agencies for parental education available to all mothers.

The change in the community and the parental attitude toward the conduct problems of children is even more marked. The juvenile-court movement was well under way at the beginning of the period which we are reviewing. Both the old conceptions of punishment as a preventive and of "justice" as equality of treatment have died slowly. Under the new legal theory of the juvenile court children are all treated alike only when they are all treated differently. The question is not what should be done for particular types of offenses, but what should be done for individual children. The objective is cure, not punishment.

This is, however, a much more difficult theory to administer. Moreover, if the objective is cure, not punishment, we must make sure that the cure is successful. The attempt to prevent or cure delinquency among children has led to study of physical and mental defects of children, to investigation of their mental and personality problems, to examination of their environments for causes of maladjustment, and to experiment in individual or group training during the preschool period. The first psychiatric clinic for the study of child delinquency, established largely through the efforts of Julia Lathrop, was still regarded as experimental in 1912. There are more than 600 psychiatric and child guidance clinics at the present time.

A review of the research of the last 20 years reveals the abandonment of one "cause" after another which was for a time believed to explain the delinquency of children. We have the beginnings of a new technique.

But if the objective is a scientific approach to the conduct problems of the individual child, necessary resources are still lacking for the study and treatment of the great majority of children who pass through our courts and are committed to correctional institutions. Probation officers, physicians, and psychiatrists attached to juvenile courts, child-guidance clinics, visiting teachers, special schools for truants, and classes in child training for parents are all a result of the effort to cure or to prevent delinquency. Information based on annual reports of the courts is available for 13 cities for the years 1915 to 1927, or for a considerable part of that period. In 10 of these 13 cities the delinquency ratio was lower for the last year reported, and in all but 3 of the 10 the decline was significant.

HOMES KEPT INTACT

In spite of all the criticism that has been leveled at the modern home, its importance in the life of the child is more generally accepted in social treatment to-day than 20 years ago and much more generally than a hundred years ago. On the theory that intelligent and affectionate care of children by their own parents is the greatest safeguard of the future welfare of children, every effort is now being made by the best social agencies to preserve the child's home. The "mothers' pension" laws and the great extension of "home relief" and "family-welfare work" have that objective.

As a result of years of practice in the treatment of dependency there is general agreement among social workers to-day that no child should be removed from his own home or from the cus-

tody of his own parents or parent because of poverty or illegitimacy alone. This apparently elementary policy has, in fact, worked a revolution in the social treatment of dependency. Money formerly available to care for children only away from their homes is now used to keep the homes intact.

The most significant change is in the number of dependent children who are now cared for in their own homes. Legislation providing for "mothers' pensions" or "allowances" or "assistance to parents' funds," first enacted in Illinois and Missouri in 1911, has now been enacted in 45 States and in the District of Columbia. In the States enacting such legislation there has also been a steady growth in the total number of families aided, in the amount expended, and in the number of counties giving this type of assistance.

For example, in Wisconsin in 1913 aid was given to 187 families, and \$9,632 was expended in keeping children with their mothers; by 1928, 6,274 families were being assisted and the cost was \$1,533,900. Whereas in 1913 in Wisconsin only 5 counties had taken advantage of the permissive mothers' pension law, in 1928 all the counties (71) were using this method of care.

Wisconsin reflects rural conditions. The urban tendency is even more marked. In New York City the mothers' aid expenditures have increased constantly since 1916, the first year the act was in operation. The \$165,000 expended that first year had grown to \$6,479,000 in 1929. It should, however, be noted that while the general trend is to safeguard the family unit, the progress is not always constant. At this moment the case-working standards of the family-welfare agencies in many cities are practically suspended because of the widespread unemployment and the consequent emergency relief. Homes are being broken up that in other circumstances would be preserved.

EXPLOITATION REDUCED

The struggle to protect children from industrial exploitation began more than a hundred years ago. In each generation opponents have replied to the demand for legal protection that children are a part of the necessary labor supply. Although it is now generally agreed that a full utilization of our capital and adult labor resources produce more than we can at present consume, nearly 2,000,000 children and young persons under 18 years of age were employed in 1930. During that year, in spite of the unprecedented number of unemployed men and women, it is estimated that some 180,000 boys and girls under 16 left school for work.

Great progress has been made in the century and in the last 20 years in reducing the number of child workers by legal enactment and by a change in public opinion. The Child Welfare Conference in 1919 recommended 16 as the minimum school-leaving age. That is the proposal of the White House Conference of 1930. Some 43 States now require that children attend school until they are at least 16 years of age, though many of the laws contain certain exemptions and all except two authorize their release for employment at a specified age below 16 if they have reached certain minimum standards of education and physical fitness, sometimes with the additional requirement that economic necessity must be shown.

A study of the trends of the last 20 years makes clear that a great change is developing in our conceptions of the part our State governments must play in promoting the welfare of children. Prevention is now the keynote in all our social services. Institutional care, for so long the only rôle of the State, is no longer adequate. For a program of prevention a close working relationship between the State agencies and the local community is necessary. The State departments of health and welfare are now assuming a rôle of leadership in establishing well-organized local services.

ENEMIES OF CHILDHOOD

At the present time, however, many of the gains of the past 20 years are threatened. Unemployment and low wages are enemies of childhood. As Julia Lathrop said:

"Children are not safe and happy if their parents are miserable, and parents must be miserable if they can not protect a home against poverty. Let us not deceive ourselves—the power to maintain a decent family living standard is the primary essential of child welfare."

In his opening address to the White House Conference on Child Health and Protection in the autumn of 1930 President Hoover called attention to the estimate of one of the conference committees that there were 6,000,000 improperly nourished children in the United States. That number has increased by leaps and bounds during the last three years. Security in the home is essential for a happy childhood. Security has gone from homes of the millions of unemployed and fear of economic disaster has destroyed it for many others.

The number of children in institutions for dependent children has increased. Adequate budgets for children's agencies are becoming increasingly difficult to secure. But those who have been given community responsibility for the care of children are determined that hard-won gains shall not be lost. State and local White House conferences are charting the needs of children and making plans for future improvement.

The real basis for hope for greater progress in safeguarding the health and general welfare of the children of the United States lies in a growing knowledge of the widespread preventable suffering among children. The peculiar hardships of these last years may quicken our sensitiveness to such suffering and lead to more effective conservation of our greatest national asset.

Mr. TRAMMELL. Mr. President, I desire to ask the author of the amendment as to its application to items that constitute a general appropriation.

The amendment provides that not exceeding 12 per cent may be transferred. I will illustrate. We have a gross appropriation of \$2,000,000 for certain given purposes. Under this provision authorizing a transfer of 12 per cent, should the department, in the exercise of that privilege, be allowed to go in and entirely destroy some activity or some project that has been estimated for as a basis for the appropriation? That is the point that occurs to me—that the department might entirely wipe out some enterprise or some project which Congress had intended should be continued.

Mr. REED. Mr. President, at the very most they could reduce only 12 per cent.

Mr. TRAMMELL. I know; but they could reduce 12 per cent of the appropriation. We have in the bill here what we might call an omnibus appropriation of \$2,000,000 for certain purposes. Within that are items numbering probably a hundred or two hundred, which were estimated for.

Mr. REED. Where does the Senator find that total?

Mr. TRAMMELL. The Senator will find quite a good many such items. I do not recall, just for the moment, the one to which I was referring. I saw one a few moments ago amounting to \$2,000,000, but I do not remember what page it was on. I find one here for the Bureau of Standards.

Mr. REED. What page?

Mr. TRAMMELL. On page 86, a total of \$2,137,280. I merely turned to that in the bill. What if they decided that they wanted to do away with some activity? I am not thinking of the Bureau of Standards in particular, but that will illustrate. Suppose they want to do away with some activity of the Bureau of Standards entirely. They could, by just one brush of the pen, under this 12 per cent provision, do away with that activity, and that would constitute 12 per cent of the entire appropriation.

Mr. REED. No, Mr. President; and I am glad the Senator has pointed out that illustration. The figure to which he calls attention is merely the total of the figures occurring in items which stretch over several pages of the bill. It would be impossible, for example, to abolish the hydraulic laboratory research work, which we find provided for at the top of page 85. The appropriation for that is \$40,000. That item could not be obliterated. It could be reduced only 12 per cent.

Mr. TRAMMELL. I think it is a very good idea, of course, to authorize this latitude; and it is probably necessary, making such a sweeping change as we have made; but I did not want the Senate to adopt some amendment which might result in the abandonment of some enterprise which Congress had authorized and which we had had an estimate for and which we do not desire to have discontinued.

Mr. REED. I think the Senator's point is very well taken.

Mr. TRAMMELL. That is the point, and I want that to be pretty well understood in the Record. I call the attention of the Senator to the item of light vessels on page 89, "For salaries and wages of officers and crews of light vessels and lighthouse tenders, including temporary employment when necessary, \$2,370,000."

What if, under the exercise of the 12 per cent provision, the Lighthouse Bureau, under the Department of Commerce, should say, "We are going to discontinue certain lights." That is the point I want to guard against.

Mr. REED. Of course I think we could safely depend upon it that the necessary lighthouses are not going to be discontinued. I think there is much more chance that that item will be added to, in order to continue in service a lighthouse, than that it will be reduced.

Mr. TRAMMELL. I just wanted to make it plain that we would not want the department to impair some very necessary service which Congress had contemplated having continued.

In my State I think the alarm is unnecessary, but I have had a good many telegrams and letters to the effect that the word had gone out that they were going to discontinue all the beacon lights on the St. Johns River, which is a navi-

gable waterway extending a long distance, which has been in use for years and years, and is quite an important transportation route.

Mr. McKELLAR. Mr. President, I will say to the Senator that the adoption of this amendment would certainly add very much to his chances of getting what he desires for his State.

Mr. TRAMMELL. I thank the Senator. It is not a matter of getting anything; it is a matter of maintaining a system of beacon lights which has been in existence for perhaps a half a century or a century, and it would be absolutely destructive to the navigation on that river, for a distance of some 150 or 200 miles, if the department were, under some plan of economy, to discontinue the use of those beacon lights on the St. Johns River. I have had this matter up with the Lighthouse Bureau, and they have assured me that they do not know of anything of the kind in contemplation. I do not know how the alarm got abroad, but a great many people seem to think that there is cause for alarm.

Mr. McKELLAR. It got abroad just as many of the other alarms got abroad; the Cabinet officers are sending out the alarms.

Mr. TRAMMELL. I thank the Senator from Pennsylvania. I have wanted the matter understood. Of course, I would not want to support some amendment which would result in doing away with a very useful system of lighting such as we have on the St. Johns River. I appreciate, however, the necessity of giving the department some latitude in connection with handling the administration of these appropriations as we have reduced them.

Mr. CONNALLY. Mr. President, the Senator from Florida is not more interested in the maintenance of these lighthouses than are all of us on the Gulf. But, as he says, the service has assured him that it has no purpose of abolishing or lessening that service. Is that correct?

Mr. TRAMMELL. That is what they told me.

Mr. CONNALLY. I understood the Senator to say that. I want to ask the Senator from Pennsylvania, the author of the amendment, if it is his view that his amendment will operate to give the Department of Commerce the power to continue these fish hatcheries which have been referred to, as was disclosed in the debate a moment ago?

Mr. REED. Yes, Mr. President; it is my hope and my belief that it will give them just that power.

Mr. CONNALLY. That, along with other things, was the purpose of the Senator's amendment?

Mr. REED. I make the same answer to the Senator that the Senator from Tennessee made with regard to the lighthouses. I think the adoption of the amendment is calculated to assure the maintenance of these important activities, far more than it jeopardizes them.

Mr. CONNALLY. I am glad to have that from the author of the amendment as evidencing the legislative intent.

Mr. NORBECK. Mr. President, I am deeply interested in this matter, as the Senator from Texas is, and have enjoyed the discussion very much. But I do not think I thoroughly agree that this will have a tendency to prevent the closing down of hatcheries. It might be almost as unfortunate if it resulted in closing them down six months or nine months, as if it resulted in closing them for 12 months in the year. Certainly we can not object to the amendment of the Senator from Pennsylvania, because it will be helpful to whatever extent it goes. But the Senator from Tennessee assures me that he has no desire to shut down these hatcheries, where it will take only four or five thousand dollars a year to operate them.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. NORBECK. I yield.

Mr. CONNALLY. The Senator from South Dakota should not express any fear about it, because it has been developed here in the debate that one of the very purposes of offering this amendment is to maintain these hatcheries.

Mr. NORBECK. Yes; but it has not developed that it will maintain them.

Mr. CONNALLY. If the department does not respect the will and the wishes of the Congress, we will know the reason why.

Mr. NORBECK. I am getting to the point, if the Senator will pardon me.

Mr. CONNALLY. I hope the Senator will not cast any suggestion into the mind of the Department of Commerce that we do not mean exactly what we have been saying we do mean.

Mr. NORBECK. I realize that the Department of Commerce is limited by the provision of the amendment itself to 12 per cent. I want to go farther and suggest that the Senate ought to know, by the time the deficiency bills come before us, whether or not the department is able to keep these hatcheries going, so that we would have opportunity to take care of the item in the deficiency bill. I would like to have the view of the Senator from Tennessee in regard to that matter. Does the Senator think it could be done?

Mr. McKELLAR. As I said before, I take it that there will be ample money to do what has been spoken of here. I have no doubt about it in my own mind at all, and if that money should not be sufficient, of course any Senator will have the right to come before the Committee on Appropriations when we are considering a deficiency bill.

Mr. CONNALLY. Mr. President, let me say to the Senator that when the deficiency bills come in, if it is then apparent that the Bureau of Fisheries has paid no attention to the expressed will of the Congress with reference to this item, it would then be very appropriate to handle the matter by trimming some of the salaries of those who have not respected our wishes.

Mr. NORBECK. Certainly. If we find that under the terms of the amendment of the Senator from Pennsylvania they are not able to keep the fish hatcheries going, we must take up the question of fish hatcheries when a deficiency bill comes before us.

Mr. BRATTON. Mr. President, I want to say, in behalf of the Director of the Bureau of Fisheries, that I talked with him at some length about this matter. He assumed a very fair and a very reasonable attitude about it. I do not believe Commissioner O'Malley has any purpose or any desire to harm the system. Quite the contrary. I think he will cooperate to the fullest in administering the system in the very best way he can under the limitations imposed by this bill. We are cutting the appropriation, we are doing it deliberately, and I am in full sympathy with that. I supported the motion of the Senator from Tennessee to recommit the bill with instructions to the Committee on Appropriations to reduce the appropriations 10 per cent, and I expect to adhere to that action in connection with subsequent appropriation bills, unless it be with regard to certain items in the Army and Navy measures.

I believe that the Commissioner of Fisheries will do the very best possible under the cuts we are now imposing upon this bureau. I believe that with the latitude conferred by the amendment offered by the Senator from Pennsylvania, the Bureau of Fisheries will find a way to continue operating the hatcheries now in the service, and will put into the service the new ones which have been completed and are now ready to be placed in service. I shall insist that the one in my State be placed in service without delay. It must be done. This amendment provides a method to do so.

I do not want the impression to go abroad that we believe the commissioner, out of any spirit of antagonism or lack of cooperation, will willfully injure the system. I think just the opposite. That should be stated, in fairness to him.

Mr. McKELLAR. Mr. President, will the Senator from New Mexico yield to me?

Mr. BRATTON. I yield.

Mr. McKELLAR. I call the Senator's attention to the item on page 96. The estimate is decreased only \$45,000, and it would be the easiest thing in the world, under the amendment of the Senator from Pennsylvania, to arrange the matter.

Mr. BRATTON. The item to which I call the Senate's attention is at the top of page 97, which reflects a cut of \$100,000.

Mr. McKELLAR. Comparatively that is a very small cut, and it could easily be supplied, if the department so willed, to take care of the item in question.

Mr. BRATTON. It can be easily supplied, and I think it will be readily done. That is why I give my support to the amendment, believing that it can be done, and that the commissioner will do it. I have confidence in his judgment and in his good purpose to cooperate with Congress in meeting the situation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. REED].

The amendment was agreed to.

Mr. FESS. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. The Senator from Ohio proposes to insert at the proper place the following:

For the purpose of defraying the expenses of participation by the United States Government in the Second Polar Year Program, August 1, 1932, to August 31, 1933, \$30,000, or so much thereof as may be necessary, for personal services and rent in the District of Columbia or elsewhere, contingent expenses, official cards, printing and binding, purchase of necessary books, documents, and periodicals, camp and field supplies, scientific instruments and equipment, construction of necessary temporary buildings for housing equipment and for observations, hire, maintenance, and operation of passenger-carrying motor vehicles, transportation and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic and other services, and purchase of supplies, materials, and equipment by contract if deemed necessary, without regard to section 3709 of the Revised Statutes, and such other expenses as may be deemed necessary by the Secretary of State in furtherance of the project described; and the Secretary of State may transfer this fund, or so much as may be deemed necessary, to the Department of Commerce, with the approval of the Secretary of Commerce, for direct expenditure by the Coast and Geodetic Survey.

Mr. FESS. Mr. President, I crave the attention of every Senator on the floor of the Senate at this moment.

Congress authorized an appropriation of \$30,000 for the second polar program. The only one we have had heretofore was 1882. We hope to have the one in 1932, and then there will not be another for 50 years. If we do not participate in this one, then the United States will not have participated in this service for 100 years.

In 1882 the representatives of a group of nations, 26 in number, in the interest of meteorological situations affecting shipping and other activities, met and outlined the first polar program which sent out 14 different expeditions, 12 into the Arctic and 2 into the Antarctic region. The results of the expeditions are well understood. They are altogether scientific and of tremendous value.

In 1929 the representatives of 34 nations met in what is known as the International Meteorological Conference at Copenhagen. They discussed the feasibility of a second polar program. It was unanimously recommended that it be put in operation. The United States decided that it could not afford to stay out of the program. We thought in view of the meteorological, auroral, electric, and other phenomena of the air and sea, the programs which are put on in the interest of all the nations using shipping on the seas ought to have the support of this Nation. A resolution was introduced and adopted without opposition in the House, came over to the Senate and was approved unanimously by the Committee on Foreign Relations. It was thought to be a proper procedure and we passed it in the Senate with no opposition, granting the authorization recommended by the Geodetic Survey, which stated that it is extremely important and that this Nation ought to be connected with the effort. I assumed the Appropriations Committee overlooked it because some one has failed to call it to their attention. Upon making some investigation I found that it had been presented to the committee. I do not understand on what basis the authorization for \$30,000

for this work is ignored by the Committee on Appropriations. It means that in their judgment this is not an important service.

Let me read a brief statement:

In the First International Polar Year Program, from August, 1882, to August, 1883, 14 expeditions were sent to the field, 12 in the Arctic and 2 in the Antarctic, by 12 different countries, fully equipped for comprehensive meteorological observations. The United States took part in this program, establishing stations at Point Barrow, Alaska, and Fort Conger (Lady Franklin Bay), Ellesmere Island.

The International Meteorological Conference held at Copenhagen in September, 1929, with representatives from 34 countries present, proposed a Second International Polar Year Program, which found stimulus in the many new problems that have arisen during the past 50 years requiring additional data for their solution. During the second polar year period, August 1, 1932, to August 31, 1933, it is intended that a number of observation stations in the Arctic and Antarctic regions will be operated for observing and recording magnetic, electric, auroral, and meteorological phenomena during that period according to an internationally concerted schedule. The United States will establish a station near Fairbanks, Alaska, a point accessible at all times of the year by steamer and railway. Twenty-six of the countries represented at the international meteorological organization have made favorable replies regarding the proposed program.

I scarcely think it credible that the Members of the Senate look upon this enterprise as of so little value that they will say the United States shall not participate in the program. The Senator from California [Mr. JOHNSON] has just suggested to me *sotto voce* that no one will oppose it. The fact is it has been left out of the report of the Committee on Appropriations. I am of the opinion that no one can afford to oppose it, but I am wondering just what it means. I offer the amendment.

Mr. JONES. Mr. President, the Appropriations Committee did not overlook the matter. It was given very careful attention in the committee under the conditions which confront us to-day. The subcommittee, I may say, recommended \$20,000 for the purpose; but, when it came to the full committee, the item was stricken out altogether before there was any order made by the Senate with reference to a 10 per cent cut. After the Senate made its order that we must cut 10 per cent below the House figures, of course, we could not put the item back in the bill.

If the Senate should vote this \$30,000, it would mean about \$27,000 or \$28,000 above the amount we were permitted to report under the 10 per cent cut order of the Senate. In other words, the bill now carries about \$1,400 less than the limit allowed by the 10 per cent cut. If the Senate sees fit to add this item to the bill, it will carry it \$27,000 or \$28,000 above its 10 per cent cut order to the committee.

As I said, the subcommittee recommended \$20,000; but the full committee, before the Senate gave the order to cut 10 per cent, struck out the item entirely. There is no good that has come to us from the observations of 50 years ago, and there will be none coming from another observation, in my opinion.

Mr. FESS. Mr. President, does the Senator say no good has come out of it?

Mr. JONES. There has been no particular good pointed out and no substantial benefit indicated.

Mr. FESS. I should like to submit to the Senator himself a report which was made on the first polar program and he certainly will not say then that no good has come out of it.

Mr. JONES. I have not any doubt about the scientific reports that would probably be made to scientists, and so forth, but I have not seen any indication of any particular good that can be traced back to the observation of 50 years ago.

Mr. FESS. Let me ask the Senator a question. I recognize the stress under which the Senator is operating. He can not make me believe that he thinks there is no value coming out of this work. I recognize why he is taking the position he does, and I can not criticize him for it; but I would like to keep the way open so that the conferees at least can provide for this second polar program.

Mr. JONES. Let me suggest to the Senator that some item covering the matter could be put in the deficiency

appropriation bill, which will be acted upon, of course, before the session is over. To add \$30,000 to the bill by this item is for the Senate to act directly contrary to the orders which it gave the Committee on Appropriations.

Mr. FESS. What position would the Senate be in if I asked for an amendment to the amount, recognizing that it is not enough and would amount to nothing? It would leave open the way for the conference to take care of the matter.

Mr. JONES. If the Senator will amend his amendment by making it \$1,000, it would be within the 10 per cent cut ordered heretofore by the Senate.

Mr. McKELLAR. Mr. President, if the Senator from Ohio will take that course, or wait until the deficiency appropriation bill comes in, then the matter may be taken care of. I hope he will not upset the plan of the Senate. I have sympathy with the proposal of the Senator from Ohio. The Committee on Appropriations turned down the item long before the bill was recommitted; and yet, as I said to the Senator, I have some sympathy with the proposal. I would like to look into it more carefully, and I hope the Senator will take the course which has been suggested by the chairman of the committee.

Mr. FESS. The only difficulty would be that it would appear that the judgment of the Senator from Ohio might be that \$1,000 would be sufficient to do the work, and that would be an outrageous suggestion.

Mr. JONES. It is perfectly clear that \$1,000 is not enough to do the work if it is going to be done at all.

Mr. McKELLAR. It seems to me that under the peculiar circumstances that is the course for the Senator from Ohio to take. We are in a bad situation. Let us not complicate it further, but let us see what we can do.

Mr. FESS. My opinion is that it would be very bad psychology for me to do that, and I am willing to let my amendment come to a vote.

Mr. BINGHAM. Mr. President, I have the greatest sympathy for what the Senator from Ohio is seeking to do, and I shall vote for the amendment he has offered; but I do think that the reflections which he made upon the Appropriations Committee, of which I have the honor to be a member, were not justified.

I would like for the sake of the RECORD to call attention to the fact that a number of very important things have been entirely left out of this bill. For instance, an item for the next Pan American conference, which is to be held at Montevideo, Uruguay, and which will be attended by all the countries of the Western Hemisphere, for which an appropriation of \$80,000 was provided by the House, has been entirely left out of the bill. It was not the intention of the committee that this action should be any reflection upon that conference or upon the importance of "getting together" with our neighbors on the south. It was merely thought that in these days and under the order of the Senate they ought to cut out the item.

Another very serious cut has been made in connection with the airways. The lighted airways, under the bill as reported by the committee, will have to be reduced. The remark has been made by the Senator from Florida [Mr. FLETCHER] about beacons on the St. Johns River being possibly cut out. I hope under the amendment to which we just agreed, offered by the Senator from Pennsylvania [Mr. REED], that will be avoided. But under the provisions of the bill as it has been reported nearly 2,000 miles of lighted airways will have to be put out of commission because money is not provided for their maintenance. A number of radio operators giving weather reports to aviators as they fly will lose their jobs and their offices will be closed. Lights along about 1,700 miles of airways can no longer be maintained under the bill. It is a very serious situation. It means that pilots flying the mail over these airways will either have to risk their lives by flying in the dark or have to cease operations entirely. That is the kind of thing that has been done in the reporting of the bill. Therefore it does not seem to me the Senator from Ohio is quite fair in the reflections which he made upon the committee.

Mr. FESS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Ohio?

Mr. BINGHAM. I yield.

Mr. FESS. If any suggestion I made was unfair, I withdraw it. What I was concerned about was that I supposed no one had appeared before the committee in connection with the matter; and although an authorization had been granted, the item was omitted anyway. That was the understanding under which I was laboring.

Mr. BINGHAM. I shall be glad to vote for the Senator's amendment, and I only wish we might have had some money for the Pan American conference, but both items were stricken out entirely.

Mr. JONES. Mr. President, there may be some difference of opinion about it, but in my judgment every item cut out of the bill after the 10 per cent order was made was more important even than this one. The question is whether or not we are going to restore this one item and leave all the other items out of the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Ohio. [Putting the question.] The noes seem to have it.

Mr. JOHNSON. I call for a division.

On a division the amendment was rejected.

Mr. CONNALLY. Mr. President, I invite the attention of the Senator from Washington to the fact that a few days ago I gave notice of my intention to submit a motion to suspend the rule for the purpose of offering an amendment for the consolidation of the International Water Commission, United States and Mexico, with the American section of the International Boundary Commission, United States and Mexico. I send the amendment to the desk.

The PRESIDING OFFICER (Mr. Fess in the chair). The amendment will be stated.

The CHIEF CLERK. On page 16, after line 12, it is proposed to insert the following:

That the American section, International Water Commission, United States and Mexico, is hereby consolidated with the American section, International Boundary Commission, United States and Mexico. Hereafter the powers, duties, and functions of such section of such commission shall be exercised by the American section, International Boundary Commission, United States and Mexico.

All records, files, and property of any nature whatsoever (including office equipment) of, and that portion of the unexpended appropriations less \$25,000 for the American section of the International Water Commission, United States and Mexico, for the fiscal year 1931-32, are transferred to the American section, International Boundary Commission, and said appropriations shall be immediately available for direct expenditure by the American section, International Boundary Commission, under the direction of the commissioner thereof, and shall continue to be so available until June 30, 1933. The commissioner is authorized to appoint to positions in the American section, International Boundary Commission, such employees of the American section, International Water Commission, or other persons as he may deem necessary in carrying out the provisions of this act, and said commissioner is further authorized to designate and redesignate, as he may determine to be necessary, the duties and headquarters station of all employees under his supervision.

Mr. JONES. Mr. President, the amendment, of course, is subject to a point of order. For that reason, as I understand, the Senator, as he has stated, gave notice that he would move to-day, or when the proper time came, to suspend the rule in order that he might offer the amendment. I myself am perfectly satisfied with the amendment. It will work along economical lines.

Mr. WALSH of Massachusetts. What would the saving be?

Mr. JONES. I do not remember the exact amount, but the adoption of the amendment will result in an economy; it will save some money; and I am perfectly willing for the Senator from Texas to make his motion to suspend the rule, pursuant to the notice given by him, and I am perfectly willing to have the vote taken on that motion without any roll call. Then, if the rule shall be suspended, he may offer his amendment.

Mr. CONNALLY. Mr. President, I move to suspend the rule in order that I may offer the amendment.

The PRESIDING OFFICER. No point of order has been made as yet against the amendment.

Mr. McKELLAR. In order that what the Senator from Texas desires may be done, I make the point of order.

Mr. CONNALLY. I made the motion at the suggestion of the Senator from Washington, who wants to save his face on points of order.

Mr. McKELLAR. In order that there may not be any doubt about it, I make the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. CONNALLY. I now move to suspend the rule pursuant to the notice which I gave.

The PRESIDING OFFICER. The notice submitted by the Senator from Texas will be stated.

The Chief Clerk proceeded to read the notice to suspend the rule submitted by Mr. CONNALLY on the 22d instant.

Mr. JONES. Mr. President, the notice is the regular form provided for the purpose, and I suggest that the reading of it be waived.

Mr. CONNALLY. Very well.

Mr. McKELLAR. Let it be put in the RECORD.

The PRESIDING OFFICER. The notice will be printed in the RECORD.

The notice referred to is as follows:

NOTICE OF MOTION TO SUSPEND RULES

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of Rule XVI for the purpose of proposing to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, the following amendment, viz, on page 16, after line 12, insert the following—

The PRESIDING OFFICER. The amendment has been read.

Mr. CONNALLY. Mr. President, I do not care to debate the amendment, but several Senators desire me to explain it.

Mr. WALSH of Massachusetts. Mr. President, I suggest that the question on suspending the rules may be put, and then the amendment may be debated.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas to suspend the rules in order that the amendment may be offered. [Putting the question.]

There being no adverse vote, more than two-thirds of the Senate voting in the affirmative, the motion is agreed to, and the rule is suspended.

Mr. WALSH of Massachusetts. Mr. President, I suggest that the Senator from Texas now explain his amendment.

Mr. CONNALLY. Mr. President, let me suggest to the Senator from Massachusetts and other Senators that we now have two international commissions that deal with matters between the United States and Mexico. One of them is the American section of the United States-Mexican Boundary Commission and the other is the International Water Commission. At present the same man represents the United States on both commissions; he is American boundary commissioner and also American water commissioner. The purpose of this amendment is to consolidate his forces into one office. It will save the Government money; it will eliminate some of the machinery. I can not tell the Senate just how much it will save, but there is a limitation in line 3, page 2, which provides a saving of \$25,000. In other words, the pending bill makes available all the unexpended balance; this amendment makes available all the unexpended balance less \$25,000. So the amendment, if adopted, will save the Government at least \$25,000.

Mr. WALSH of Massachusetts. Is the salary of the commissioner an annual salary for each position or is he paid on a per diem basis?

Mr. CONNALLY. He draws only one salary.

Mr. WALSH of Massachusetts. For both positions?

Mr. CONNALLY. Yes; for both positions.

Mr. WALSH of Massachusetts. But it will result in the saving of some money?

Mr. CONNALLY. As I understand, it will save at least \$25,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas.

The amendment was agreed to.

Mr. NORBECK. Mr. President, I send to the desk and ask for the adoption of an amendment which does not call for an additional appropriation.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 30, after line 8, it is proposed to insert the following:

ONE THOUSANDTH ANNIVERSARY OF THE NATIONAL PARLIAMENT OF ICELAND

The unexpended balance of \$3,173.75 of the appropriation of \$55,000 contained in the joint resolution approved January 20, 1930 (46 Stat. 57), for the expenses of participation by the United States in the celebration of the one thousandth anniversary of the Althing, the National Parliament of Iceland, is continued available until June 30, 1933, for the same purposes, and for the transportation and subsistence or per diem in lieu thereof (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto) of a representative or representatives of the Government of the United States to make the formal presentation of the statue of Leif Ericsson, including such expenses of entertainment as the Secretary of State shall deem proper.

Mr. JONES. Mr. President, there is an unexpended balance of about \$3,000 available, which, under the amendment, is continued. The amendment does not increase the amount appropriated in the bill, and so I do not have any objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. COPELAND. Mr. President, in order that there may be an amendment before us which may be debated, I move, on page 63, line 17, to strike out "\$670,000" and insert "\$725,000."

Mr. JONES. I make the point of order against the amendment that the committee amendment at that point has already been agreed to.

Mr. COPELAND. Mr. President, I want it understood by all Senators that when we talk here about the amendment which was offered by the Senator from Pennsylvania [Mr. REED], and of which I heartily approve, and think we are going to find money in this already emasculated bill to establish fish-cultural stations and other activities, there will be cruel awakenings. It is all right to have the Record show that the appeal was made and the hope expressed that such things might be accomplished, but, of course, they will not be, because there is not money enough in the bill to take care of all these activities, no matter how desirable.

As is well understood, I am here to say one further and probably the last word about the Bureau of Foreign and Domestic Commerce. This morning I received a telegram from Buffalo. That city is interested in this matter, because if this bill shall pass as it is now before us, the office of the Bureau of Foreign and Domestic Commerce there, as well as offices in 18 other places in this country, will be abolished; they will no longer exist.

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. COPELAND. I yield.

Mr. WALSH of Massachusetts. I will state to the Senator that I have received similar protests from my State against the possible abolition of some of these offices of the Bureau of Foreign and Domestic Commerce.

Mr. COPELAND. I thank the Senator for the confirmation of my fear. The telegram to which I refer is from the president of the Buffalo Exporters' Association, and no doubt it accords with similar telegrams received by the Senator from Massachusetts. It reads:

BUFFALO, N. Y., April 29, 1932.

HON. ROYAL S. COPELAND,
Senate Office Building, Washington, D. C.:

Appreciate your effort opposing discontinuance Buffalo district office Bureau of Foreign and Domestic Commerce. Our organization, which consists leading exporters of Buffalo, urge you and

associates continue efforts. Local office performs indispensable service required by large and small firms alike throughout western New York. Removal of services now would seriously retard rapidly growing export trade from this area.

E. A. FORSYTHE,
President Buffalo Exporters' Association.

Mr. President, I have not before me at the moment the list which was presented here the other day by the Senator from California [Mr. JOHNSON] covering 18 or 20 offices in different parts of the country that will be closed if this bill shall become a law as it now stands in the text before us to-day.

Let me call attention to what is going to happen if the Treasury and Post Office bill should pass as it will have to be written under similar instructions given by the Senate to the committee. It will abolish customs offices in Indiana, Iowa, Colorado, Utah, Nevada, Kentucky, Tennessee, Nebraska, Missouri, Minnesota, Pennsylvania, California, Rhode Island; Rochester, N. Y.; Milwaukee, Wis.; Mobile, Ala.; Hartford, Conn.; Ohio, North Carolina, South Carolina, Texas, Maryland, Georgia, Illinois, Virginia, Michigan, and Washington.

Mr. President, I invited the Commerce Department to give me certain information, and I have that information. I suppose that the Department of Commerce will be criticized, but I asked for this information, and it is perfectly proper for an official of the Government to give information if a Member of Congress asks him for it.

The other day the Senator from Tennessee called the attention of the Senate, after the Senator from California [Mr. JOHNSON] and I had made our representations, in regard to the Bureau of Foreign and Domestic Commerce to the increased appropriations for it in various years beginning with 1921. He pointed out that in 1921 the appropriations for the Bureau of Foreign and Domestic Commerce amounted to \$1,211,000; the next year, \$1,694,000; then \$2,568,000; and so on from year to year, until the present year they have reached the sum of \$5,000,000.

I concede that, Mr. President. The record is accurate. The statement of the Senator from Tennessee is correct. It is true that the appropriations for this bureau have increased from year to year until now they are at least four times as much as they were 10 years ago.

That does seem like an enormous increase in appropriations. The casual examiner might regard this is a wasteful use of money and a strange increase in appropriations. But let me show you what has happened.

The purpose of this bureau is to aid manufacturers, farmers, and all producers in this country to find markets abroad for what they have produced here. It is exactly as if a man had a manufactory of furniture, and in order that he might sell his furniture he established showrooms in foreign cities and sent out salesmen to attempt to sell the products of his endeavor.

This bureau has operated in two ways. Through its foreign agencies it has received applications from concerns, establishments, and individuals in Europe stating that a given applicant desired to become the distributor of American automobiles or typewriters or any other kind of factory product, or farm product or foodstuff. Such applications have been brought to the attention of American producers by the foreign offices. The applications have been stimulated by the activities of the agents of the department in foreign lands.

Likewise the local offices in this country have made studies of the various manufacturing and agricultural establishments and institutions and industries in the territories round about the local offices. Perhaps to the local office has gone the man who makes a certain type of shoes or of clothing or of shirts or collars, whatever it may be. This manufacturer has said, "I want to find a market somewhere in the world for these products of mine." By the cooperation of these domestic and foreign offices there have been brought together those on the other side who can use our products and those on our side who make the products.

Let me tell you how popular that has been with our people.

In 1921 and 1922, when the appropriation for this bureau was only \$1,211,000, there were 506,000 individual services rendered. That is, 506,000 applications were made by individual concerns for aid in the distribution of their wares. The cost per service then was \$2.38.

See how the popularity of this service has increased. See how many more applications have been made for service. It is startling how the demands have grown.

There were 506,000 applications in 1921. By 1923 the number had increased to more than a million—1,169,000. The next year there were 2,000,000 applications. By 1928 the individual services demanded had increased to 3,342,000, and this year 4,000,000 have asked for this service. So, if we take the cost per service, where it was \$2.38 10 years ago it has decreased to \$1.28 to-day.

There has been that decrease in the cost of individual service because of the demands made upon this bureau. Think of it, Senators! Four million institutions or individuals in this country have made use of the Bureau of Foreign and Domestic Commerce during the past year—4,000,000!

During the past year the bureau has succeeded in establishing 2,873 new agencies and sales connections for American firms as a result of its services. Nearly 3,000 agencies in America made connections with European establishments in order that their sales might be extended by reason of that export service.

During the past year 942,580 trade opportunities were brought to the attention of American exporters. Nearly a million trade opportunities in Europe were brought to the attention of American exporters through the operation of this bureau. Listen to these figures—

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Illinois?

Mr. COPELAND. I do.

Mr. LEWIS. That I might not disturb the presentation of this important question by an independent speech, I take the liberty of offering to the able Senator from New York the full information sent me from my city of Chicago, where the Association of Commerce and the officers of the Continental-Commercial National Bank protest against the omission of this item of appropriation for the Bureau of Foreign and Domestic Commerce on the ground, as they contend, that under the previous system of things the consul represented commerce and to some extent became its advocate, but that now, since we have passed a law that merges the consul into an office where he may any day expect to be made a secretary of legation and therefore a diplomatic officer, he will not deign any further to represent commerce; and therefore we have no representation whatever, as we previously had, by virtue of the new epaulets that have been adjusted to the consul, shifting him into the possibility of a diplomatic career, for which he hopes by day and of which he dreams by night.

Therefore, unless these offices, which are some form of an adjunct to commerce, are in some degree continued, it is represented to me, to bring forth to this honorable body, there would be no one whosoever throughout our European commercial ports to speak in behalf of American commerce.

Mr. COPELAND. I thank the Senator. That bears directly upon the argument I intended to make. What the Senator from Illinois has said so well gives emphasis to my plea.

Let me state that last year we received in this country \$57,000,000 in new business, secured for American concerns by the Bureau of Foreign and Domestic Commerce. That was done at an expense of \$5,000,000. We received \$11 for every dollar we invested. The estimate is that there will be a return of one million and a half dollars in income taxes this year on that same investment of \$5,000,000.

Mr. President, it stands to reason that to destroy this bureau is to threaten the life of the American export business. I can not conceive it possible that the Senate of the United States would wish to be a party to that calamity.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. VANDENBERG. Will the Senator permit me to comment on the observation offered by the Senator from Illinois, which at least in some degree must be an inadvertence? The Consular Service of the State Department not only continues to deal in trade reports upon a very substantial basis, it not only continues to make trade contacts, which are reported at a total of \$19,000,000 in net advantage to American concerns during the past year, but, in addition, the Consular Service of the State Department, continuing its trade function which it monopolized for so many years, is entirely depended upon by the foreign service of the Commerce Department to formulate the World Trade Directory, which is virtually the Dun & Bradstreet's of the world, involving contacts with 585,000 different foreign firms.

The suggestion I am taking the liberty of submitting, both to the Senator from New York and to the Senator from Illinois, is that there might well be a study to determine whether both of these relatively competitive agencies in the foreign field might not well come to a common basis and be stabilized and unified, so that in all of these respects we have but one spokesmanship beyond our borders.

I thank the Senator for permitting me to make that observation.

Mr. LEWIS. Mr. President, I will ask the Senator to pardon me for making an observation to my esteemed friend from Michigan, to say that as I can not speak of knowledge I can only give the report that the consuls, as the Senator says, make a mathematical and something of a historical report, but the report they make as consuls is gathered from the work done by these commercial individuals of whom the Senator from New York has been speaking; and while the consul assumes to make the report and to take, perchance, the credit of the result, his is but the report of the labors of others, and he has a right officially to present them as the consul. But my eminent friend the distinguished Senator from Michigan fails to observe that it is the report of the consul of what has been done, without any reference or statement of who did it. It is claimed by those who report to me that it is the commercial officials who do it, and the consul merely makes the report of the consequence and the result. I do not know how true that is.

Mr. VANDENBERG. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. VANDENBERG. The Senator from Illinois will readily see that he is describing a precise type of competition which should not exist. If it does exist, as he indicates, that is one more reason why in this economy program the sensible thing to undertake is to consolidate the competing forces of the Government, and thus seek increased efficiency at reduced cost.

Mr. COPELAND. Mr. President, how long would the diplomatic agent abroad have any diplomatic standing if he were using his office to develop business for the United States?

Mr. REED. Mr. President, our consuls abroad, although they are Foreign Service officers, are not considered to be diplomatic officers.

Mr. COPELAND. Nevertheless their work to a great extent is along diplomatic lines. My contention is that if we desire to continue our export business, which even in 1931 was two and a half billion dollars, the largest industry of America, next to agriculture, if we desire to continue that export business and to increase that export business we must have agents on the other side who are devoted to that one thing and nothing else. They should not be diverted at all by the diplomatic activities which are incumbent upon a consul in a foreign country.

Mr. President, I take it the argument made by the distinguished Senator from Illinois is well founded, and certainly his view is the experience and the belief of every export concern I know of in this country. They are begging every-

where that this activity may be continued, in order that this foreign business may be brought to us.

In connection with our export trade, which I have spoken of as, next to agriculture, the chief business of America, there are 1,400,000 workers. More than a billion and a half dollars in wages are paid to the persons engaged in making goods for export trade.

Mr. President, I call attention to this further fact: Great Britain and Canada spend more per capita on export-trade production than the United States spends. Great Britain cut expenses 11 per cent as an economy measure, but did not curtail the expense of activities along this particular line. She made cuts in higher salaries and allowances, but no effort was made to reduce the activities of the British agents developing business for British industries.

I ask that the statement of the facts I have before me regarding the Bureau of Foreign and Domestic Commerce, given to me by the department by request, and also page 3 of the little pamphlet I hold in my hand, which show the relation of the cost of appropriations to the service rendered, be included at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SOME FACTS REGARDING BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Two thousand eight hundred and seventy-three new agency and sales connections made by American firms last year as a result of the bureau's services can be valued at \$500 to \$1,000 each.

One hundred and ninety-three thousand five hundred sales-information reports distributed annually. Worth \$1 each at least.

Seven hundred and thirty-one thousand five hundred and two trade lists distributed.

Nine hundred and forty-two thousand five hundred and eighty trade opportunities brought to attention of American exporters.

Fifty-seven million dollars in new business secured for American concerns by bureau last year. Bureau spent \$5,000,000; \$11 return for each \$1 invested.

One million five hundred thousand dollars estimated income tax on above business.

Two billion five hundred million dollars export trade 1931. Largest industry next to agriculture.

United States leads the world as an exporter despite decline.

One million four hundred thousand workers involved in export trade with more than one and one-half billion dollars in wages.

Nineteen hundred and thirty-one exports declined 37 per cent in value over 1930, imports 32 per cent; on quantity basis much less severe, exports only 20 per cent, imports 10 per cent over 1930. Industrial production fell off 16 per cent; freight-car loadings 19 per cent.

Twenty-five billion dollars in commercial transactions as result of export trade.

Seven million dollars collected annually by Department of Commerce in fees and turned into Treasury.

Twenty-four thousand export firms served currently by bureau. Forty-six thousand firms make daily use of bureau's domestic trade services.

One hundred thousand dollars' worth of bureau publications sold annually.

Eighty per cent of bureau's services for "little fellow."

Three million nine hundred and sixty-six thousand services rendered by bureau during 1930-31.

Cost per service dropped from \$2.38 in 1921-22 to \$1.28 in 1930-31.

Appropriations 1930-31 four times 1921-22. Services eight times.

One and one-tenth per cent of total United States Budget for Department of Commerce.

Eleven per cent of total for Department of Commerce for Bureau of Foreign and Domestic Commerce.

Great Britain and Canada spend more per capita on export-trade promotion than United States. Great Britain cut expenses 11 per cent as an economy measure but did not curtail staff or activities. It was applied to cuts in higher salaries and allowances.

One million five hundred thousand dollars contributed by industry for cooperative work with bureau, i. e., Drug Store Survey, 31 trade associations put up \$75,000, bureau \$25,000.

Details regarding growth of Bureau of Foreign and Domestic Commerce

Appropriations for 1920-21.....	\$1,211,000
Estimated Budget for 1932-33.....	4,870,000

Increase.....	3,659,000
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But services rendered by Bureau of Foreign and Domestic Commerce increased twice as fast as appropriations:

Fiscal year	Appropriations	Industrial services rendered, representing the "inquiry curve"	Cost per service
1920-21.....	(1)	(1)	(1)
1921-22.....	\$1,211,000	\$506,000	\$2.38
1922-23.....	1,694,000	881,000	1.92
1923-24.....	2,568,000	1,169,000	2.19
1924-25.....	2,835,000	2,041,000	1.39
1925-26.....	2,994,000	2,033,000	1.47
1926-27.....	3,263,000	2,421,000	1.35
1927-28.....	3,722,000	2,771,000	1.34
1928-29.....	4,257,000	3,342,000	1.27
1929-30.....	4,540,000	3,632,000	1.25
1930-31.....	5,087,000	3,966,000	1.28
1931-32.....	5,334,000		
1932-33.....	4,870,000	(2)	
Increase, 1931 over 1921 (per cent).....	400	800	46

¹ No record. ² Not yet available. ³ Approximately. ⁴ Decrease.

Mr. FESS. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. FESS. Mr. President, this is the one hundred and forty-third anniversary of the inauguration of George Washington as President of the United States. The situation is not such that I can state what I wanted to say earlier in the day, but I wish to take the privilege on Monday of inserting in the RECORD some very interesting letters of notable contemporaries of George Washington.

I thank the Senator from New York for allowing me to make this announcement.

Mr. COPELAND. Mr. President, I am glad the Senator made the announcement. If George Washington, with his breadth of vision, were alive to-day and here to advise us, I am sure he would be urging us not to make any entangling political alliances with Europe but to get all the business possible from the European countries.

Mr. President, I beg all Senators to give thought to what I have said. I know it is as useless as baying at the moon to make any effort to change the pending bill. It is predestined and foreordained to pass as it has been written. But I do hope that these feeble remarks of mine may be of some use when we come to the conference, and that possibly from the conference may come more liberal support for the Bureau of Foreign and Domestic Commerce.

I do not flatter myself that the amendment presented by the Senator from Pennsylvania, which I fully approved, will in any material way increase the activity of this bureau. But in this time of economic depression in America, American industry and American activities of every sort must be encouraged. Yet by the passage of this bill we are aiding the depression, taking the heart still further from those engaged in business in our country. I am regretful beyond words that it seems necessary that there should be any such economy as this; it is false economy, not true economy.

There are many activities of the Government which can be reduced so far as their appropriations are concerned; but when we do anything to interfere with the spinning of the wheels of the machines in our factories, and the belching of smoke from the chimneys of our factories, we are harming our country. It is the exercise of false economy, which will come back to haunt us.

Mr. WALSH of Massachusetts. Mr. President, I ask to have printed in the RECORD, following the speech of the Senator from New York, some communications which I have received similar to that offered by him.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

BOSTON, MASS., April 11, 1932.

HON. DAVID I. WALSH,
United States Senate:

Although believing firmly in governmental economy hope nothing will be done which will cripple the valuable service given by Bureau of Foreign and Domestic Commerce.

EDWIN S. SMITH,
Commissioner of Labor and Industries.

HON. DAVID I. WALSH,

United States Senate:

The New England Shoe and Leather Association and our manufacturers generally, while believing there is abundant opportunity to eliminate unnecessary activities in most departments of the Federal Government, would be sorry to see any action taken by Congress that would seriously cripple the vital activities of the Bureau of Foreign and Domestic Commerce in its cooperative work with American business.

THOMAS F. ANDERSON, *Secretary.*

BOSTON, MASS., April 12, 1932.

Senator DAVID I. WALSH,

Senate Office Building:

While thoroughly in accord with increased Government economy hope you will use all your influence to prevent any panicky action that would cripple Commerce Department; although cost of this department minor factor in Government Budget it is doing wonderful job for American business. Any setback here would be dearly purchased economy.

INTERNATIONAL ASSOCIATION OF BLUE PRINT AND
ALLIED INDUSTRIES,
PHILIP B. TERRY, *Vice President.*

SPRINGFIELD, MASS., April 11, 1932.

HON. DAVID I. WALSH,

United States Senate:

Reduction to expenses Government agencies heartily indorsed, but we hope in the case of Department of Commerce reduction will not be so drastic as to eliminate eastern district offices believed to be rendering important service to industry.

SPRINGFIELD CHAMBER OF COMMERCE.

NEW YORK, N. Y., April 11, 1932.

HON. DAVID I. WALSH,

United States Senate:

Understand Senate contemplating reducing appropriation available Bureau Foreign and Domestic Commerce. Respectfully urge you refuse reduce their already small appropriation still further.

C. A. RICHARDS,
President C. A. Richards (Inc.),
Export Distributors for United American
Bosch Corporation, Springfield, Mass.

BOSTON, MASS., April 11, 1932.

HON. DAVID I. WALSH,

United States Senate:

While I believe strongly in economy and all possible reduction of expense, it seems to me that the proposed reduction in appropriation for Bureau of Foreign and Domestic Commerce is relatively excessive and will seriously cripple the good work being done. I commend the matter to your careful consideration.

FRANKLIN W. HOES.

NEW ENGLAND COUNCIL,
Boston, Mass., April 16, 1932.

HON. DAVID I. WALSH,

United States Senate, Washington, D. C.

DEAR SENATOR WALSH: Being in position to know the nature and value of the work of the New England office of the United States Bureau of Foreign and Domestic Commerce, we have to-day telegraphed certain Senators as follows with reference to the Department of Commerce appropriation bill now pending:

"While New England industry and business generally earnestly desire balancing of the Federal Budget and look to the Congress to achieve this as promptly as possible, we urge that provision be made for continuance of district offices of the Bureau of Foreign and Domestic Commerce on a basis that will not entirely deprive business of the practical and valuable assistance they render."

This telegram was sent to Hon. REED SMOOT, chairman Finance Committee; Hon. WESLEY L. JONES, chairman Appropriations Committee; Hon. HIRAM W. JOHNSON, chairman Commerce Committee; Hon. ROBERT M. LA FOLLETTE, chairman Committee on Manufactures.

Sincerely yours,

DUDLEY HARMON,
Executive Vice President.

BOSTON, MASS., April 12, 1932.

HON. DAVID I. WALSH,

United States Senate Chamber, Washington, D. C.

MY DEAR SENATOR WALSH: I have been reading with a great deal of interest the comment that is emanating from Washington relative to the colossal task that is now confronting you gentlemen in the balancing of the National Budget. I thoroughly realize that you are bombarded from all angles with suggestions as to what you should do and what you should not do, and in sending you the word I am now sending, I do so with the sole thought in mind of possibly being helpful in offering information as to something I come in personal contact with practically every day in the week.

I am particularly concerned with the rather drastic cut that is contemplated in the provision for district and cooperative offices of the Department of Commerce. To the merchants of the country these offices have been of distinct value, and I think I am fairly safe in saying that they render more dollar for dollar value than any other governmental activity.

Their business is strictly in the promotion of American trade, both domestic and foreign, and in coming in contact with both domestic and foreign trade, such as I do in my business every day, I have come to look on the district office in Boston as an absolute essential to the proper conduct of trade. As an instance of the value of the district office in Boston, changes are taking place almost momentarily in regulations made by foreign countries as to what they will or will not admit into their country, whether or not the government of any particularly country will allow funds to go out in payment for American goods, changes in rates of duties and what not, all of which information the district office of the Department of Commerce keeps on file for immediate reference, and I very much fear should this service be too seriously curtailed it would work a real hardship on manufacturers in this district, attempting to properly conduct their trade abroad.

For instance, it has not been so long ago that one of our clients was sending a rather large order to Chile. Before letting the order go out, we checked up with the Boston district office of the Department of Commerce and discovered that the Chilean Government had put in a regulation whereby the consignee in Chile could only secure the permission of his government to pay the invoice on this merchandise at the rate of 2 per cent per month, and that if the shipper had made the shipment, he would have had to wait two years for his money. When I got this information, he decided not to ship, and it was a distinct saving of time and money to have such information available.

Of course, it could be said that such information could be obtainable from Washington if there were no such thing as a district office in Boston, and it is probably true, but it is much more convenient, and, in my humble opinion, much more economic that such information be readily available for people in a particular district rather than have to go to Washington for every bit of information that is needed.

As I started out to say in the beginning of this letter, I do not want to take the position of "viewing things with alarm" or burdening you with personal suggestions, but I think you would find on a check up that the sentiments I have set forth in this letter as to the real usefulness of some of the efforts of the Department of Commerce will be agreed to by practically all manufacturers and shippers in the New England district.

This letter is written with the idea of putting information in your hands as to the practical usefulness of something that should be retained if it is at all possible to do so and consistent with the attitude you are taking in regard to the momentous question that is placed on you to decide.

With cordial good wishes, I am

Very sincerely yours,

D. C. ANDREWS & Co.
By A. J. KELLEY, *New England Manager.*

LAWRENCE, MASS., April 25, 1932.

Senator DAVID I. WALSH,

Washington, D. C.

HONORED SIR: Am inclosing an editorial from the Telegram regarding the work of the Commerce Department at Boston that might be interesting.

Respectfully,

R. W. EMERSON,
Editor Telegram-Sun.

[From the Lawrence Telegram, April 21, 1932]

AS WE SEE IT

After all, have you ever realized the personal service the Federal Government gives to its citizens? As a general rule we consider Washington too far away to be of interest except once in four years, when the President is elected, and occasionally when some discussion is up in Congress in which we are interested. As far as personal service is concerned, very few people realize there is any such animal. But some people have discovered the difference. Suppose you wanted to ship a Christmas present to some friend in another country. How would you learn of the procedure to send it and whether there is a duty to pay? Some time ago a man wanted to send a piano to his son in Italy. The son preferred an American make and the father desired him to have it. There are a large number of such nice and interesting questions that puzzle the people here, and many of them let the question slip because they do not know how to secure the information.

Washington is too far away, there is too much trouble to write, and no one would pay attention to a question anyway. That is the reaction of the average citizen. But you would be surprised to know that up in the tower of the customhouse in Boston there are offices that are busy every day answering simple questions, but questions of real interest, sometimes vital interest, to the one asking them. Some of these questions require patience, but they are answered by the Department of Commerce representatives.

While talking with an official there recently the phone rang. Only part of the conversation was heard in the office, but apparently the question was answered more readily than the inquirer expected. The inquirer desired to ship something to Canada and wanted to know the duty he would have to pay. Instantly the answer went back over the wires: "The duty will be 35 per cent, plus an excise tax of 6 per cent and a sales tax of 3 per cent." How could the man in the customhouse tower be so sure? He laughed and said he had answered the same question a dozen times that day. And there are plenty other questions.

A man came in who planned to move to Canada. He wanted to know about duty on the property he desired to take and about

an automobile. It took less than five minutes for him to learn that his personal property was not dutiable, but there was a question regarding the auto. If he had owned it six months, there was no duty. He was planning to buy an auto. Well, in that case it could not be a secondhand car, for they are not admissible for settlers, and a new car is subject to duty, plus excise, plus sales tax.

Of course, people and firms in trade understand the great service rendered by this department regarding conditions throughout the world. So complete is the information that there is no trouble to learn of markets in far-off Australia, China, or New Zealand. Department agents throughout the world gather this data for the benefit of the American manufacturer. As the same time, it is gathering a vast amount of information for any citizen who can use that information to advantage.

There are able men who are devoting their time and energy in assisting American industries on the road to prosperity. The prospect of trade expansion, building better local markets, the understanding of the market for the special product of the firm, and a score of others dealing with the intimate business in which a particular firm is engaged. Many a puzzling problem to a new, and often established, firm is solved through the aid of the department.

Possibly there is no more valuable service to the people of this country than that freely given by the Department of Commerce. During this period of world depression the department is of valuable service in advising manufacturers and shippers in their many problems. In fact, this department can be of still greater service with more able and experienced men at its disposal. It is in reality one Government service that is established to aid our industry and trade through such periods as we are passing, and do it safely.

It would naturally seem that, at the present moment, the department is of more importance than at any time of its existence. Foreign trade is important, but it must be safe and productive. Not only the major industries but there are many, many ways in which it helps the little industry; the one just beginning. It works on the theory that there are experiences that can be of value to the man just starting or developing a manufacturing plant. There are the vital questions of market, appropriation of effort and finance, and others, which may mean the difference between success or failure of the enterprise.

It would appear reasonable to presume that the best course for the Government, at this time, is to expand the service of this one department, because of the immense assistance it can be to our depressed industry. Our business men do not require so much help during prosperity. It is then that most any business runs itself. But, it is in times like these that greater effort on the part of the Government should be made to encourage and promote, through proper advice and experience, all industry.

Perhaps you do not know it, but there are services offered by the Federal Government that have the personal touch for every citizen of the country.

The PRESIDENT pro tempore. The bill is on its second reading and still open to amendment. If there be no further amendments to be offered, the question is, Shall the amendments be engrossed and the bill read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MEMORIAL

Mr. WALSH of Massachusetts presented a telegram in the nature of a memorial, signed by Franklin Reece, the Reece Buttonhole Machine Co., and sundry citizens (being manufacturers) of Boston, Mass., protesting against abandonment of the general manufacturers' sales tax in the pending tax bill and indorsing the economy program, which was referred to the Committee on Finance.

TAX ON IMPORTED WOOD PULP

Mr. HASTINGS presented a telegram from the Jessup & Moore Paper Co., of Wilmington, Del., favoring the imposition of a tax on imported wood pulp, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

WILMINGTON, DEL., April 30, 1932.

HON. DANIEL O. HASTINGS,

United States Senate, Washington, D. C.:

Understand some doubt whether Finance Committee will recommend tax on imported wood pulp to offset depreciated currency foreign nations off gold standard. Foreign pulp now delivered in this country much less cost than domestic manufacture. We have been obliged shut down our Maryland pulp mill indefinitely. Unless some relief is given immediately we must close our Delaware pulp mill employing several hundred men. Our Delaware mill operating only two days a week. Our former customers buying foreign pulp at low prices. If our pulp mills shut down permanently the farmers and producers in Delaware will have no market for pulpwood. Please confer with Senator JONES and try to help us.

THE JESSUP & MOORE PAPER CO.

SUPREME COURT OF THE PHILIPPINES

Mr. BINGHAM. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Manila High Court Ceases to Function," and ask that it be referred to the Committee on the Judiciary, with the request that they hasten consideration of the nominations of judges for the Philippine high court.

There being no objection, the article was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

MANILA HIGH COURT CEASES TO FUNCTION—WASHINGTON SENATE'S FAILURE TO CONFIRM SIX APPOINTEES LEAVES QUORUM LACKING—TRIBUNAL TO BE ENLARGED—TWO OF THE ORIGINAL NINE RECENTLY RESIGNED AND ONE DIED—ONE APPOINTEE OPPOSED

MANILA, April 29.—The Philippines were left to-day without a functioning supreme court.

The complication, which had been foreseen as a result of the failure of the Senate in Washington to confirm the new appointees, was precipitated when the court held its final session under its old organization with a membership of nine.

The death of Justice Charles Johns and the resignations of Justices Findlay Johnston and Norberto Romualdez left the court only seven members, one of whom is Acting Justice Carlos Imperial, who is filling the vacancy created by the death of Justice Johns.

Justice Ostrand was on a vacation in the United States, thus leaving the strength for the summer session at five.

The present impasse arose as a result of the legislature's action last year in raising the membership to 15. The supreme court is the only appellate body in the islands and was hopelessly overworked.

The first six appointments to fill these places were allowed to lapse in the Senate because of political pressure. Three new appointments were made recently, but confirmation of these also failed.

The court must take an enforced recess until July, since it now requires nine for a quorum, and unless the appointments are confirmed in the meantime the Philippines will continue without a supreme tribunal.

Agitation for action by the Senate on the new Philippine Supreme Court appointees has grown since the resignation of Justice Romualdez on March 16, when it was foreseen that a quorum would be lacking for future sessions.

Delay in the Senate has been attributed in part to opposition to José Abad Santos, one of the appointees. Newspapers have opposed him because he defended a drastic libel law recently passed by the legislature. He was accused by a Manila lawyer of using his position as secretary to Justice Romualdez to influence the trial of an embezzlement case. He filed an action for libel against his accuser.

REPORTS OF COMMITTEES

Mr. KEAN, from the Committee on the District of Columbia, to which was referred the bill (S. 99) to amend section 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913, reported it with an amendment and submitted a report (No. 624) thereon.

Mr. NORBECK, from the Committee on Banking and Currency, to which was referred the bill (S. 4291) to amend section 5219 of the Revised Statutes, as amended, reported it without amendment and submitted a report (No. 625) thereon.

Mr. HASTINGS, from the Committee on the Judiciary, to which was referred the bill (S. 3938) to provide for the transportation of certain juvenile offenders to States under the law of which they have committed offenses or are delinquent, and for other purposes, reported it with amendments and submitted a report (No. 626) thereon.

He also, from the same committee, to which was referred the bill (S. 4020) to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict, reported it without amendment and submitted a report (No. 627) thereon.

BANKING ACT OF 1932

Mr. NORBECK submitted the views of the minority of the Committee on Banking and Currency to accompany the bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes, heretofore reported from that committee without amendment, which were ordered to be

printed as part 2 of Report No. 584, and to be printed in the RECORD, as follows:

[Senate Report No. 584, pt. 2, 72d Cong., 1st sess.]

OPERATION OF THE NATIONAL AND FEDERAL RESERVE BANKING SYSTEM

Mr. NORBECK, from the Committee on Banking and Currency, submitted the following views of the minority (to accompany S. 4412):

The Senate Committee on Banking and Currency has had under consideration S. 4412, "To provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank control, to prevent the undue diversion of funds into speculative operations, and for other purposes," and reported favorably thereon on April 23, 1932 (Rept. No. 584).

On behalf of the minority of the members of the Senate Committee on Banking and Currency, I am making this report in protest against the proposed extension of branch banking, without taking issue with the distinguished author of the bill, Senator GLASS, on other matters in the bill, in most of which I heartily concur, and some of which I deem very important.

In speaking of our banking system, we must keep in mind that we have (1) a system of national banks chartered and supervised by the Federal Government; (2) we have a competitive system, that of State banks, chartered and supervised by the States.

There is difference of opinion among well-informed people as to their comparative merits, and certainly there is a great desire on the part of certain people to wipe out the State banking system. What can not be done directly by law may be done by giving the national system such an advantage that the competitive State system can not exist.

Aside from the two general classifications, we might make further classifications, as follows: Unit banks, chain banks, group banks, and branch banks.

A unit bank may have a National or State charter. It is generally defined as an institution which is owned, controlled, and operated by residents where the bank is located, and has no affiliated institutions. This is the typical American bank.

The term "chain bank" is generally applied where two or more banks are owned and controlled by one individual and partnership (without a holding company or more centralized control).

"Group bank" is the proper term for institutions that have been growing up in many sections of the country of late years. If not a violation of law, it is certainly an evasion of law. A holding company is generally organized for the purpose of owning and controlling these banks. As a rule, the holding company owns over 90 per cent of such bank stock, but there remains a local organization and a local board of directors, subject, however, to the control of the holding company, which is located in some central place.

It is a well-known fact that shares in a bank carry a double liability with them on the part of the stockholder. As a rule the shares in a holding company do not carry this extra liability, though there are a few notable exceptions to this practice. I have in mind especially the Detroit group, who appeared before this committee and explained their system.

Branch banking is where a parent bank has one financial structure from which it operates the several branches or offices under set rules and instructions issued by the head office. The officers of the several branches have very limited powers of discretion.

FALLING PRICES

Since the war there has been a continual shrinkage in values and this has put a great strain upon our banking structure. Numerous failures have been taking place, and those, who for different reasons prefer the chain bank with the central control, are continually pointing to the banking systems of other countries. But all things considered, the American system has held up wonderfully well. Our Government has not come to the direct aid of our banking structure, such as has been the case in many European countries, where the governmental form of banking exists, where the taxpayers took the losses.

We are often reminded of the losses suffered by depositors in this country. That is true, and it is deplorable; but it is not fair to point to other countries for comparison. The American dollar is still at par, while the bank deposits in foreign lands have dwindled in proportion to the shrinkage of their currency value; in Canada it is 20 per cent, and in France it is 80 per cent. We have much over which to be happy, and do not need to be hasty about importing a banking system from foreign lands.

The so-called safety of the French, Canadian, or English system is simply one of percentage, and we need not be ashamed of the comparison.

It is not believed that the remedy lies in more centralization. When we take the history of the chain bank, group bank, and branch bank, many States in the Union have had debacles which are appalling. The greatest bank failure in this whole depression was in the case of a branch-bank system—a central bank with some 50 or 60 branches. On the other hand, while the losses of unit banks in the United States, due to overbanking conditions and the present financial situation, have been devastating, we have no assurance that such a condition may not arise again under a different form of banking, as each generation must learn its own lesson, and human nature, as a rule, has never been able to capitalize 100 per cent from the mistakes of the past.

BRANCH BANKS

Advocates of the branch banking system ignore the fact that such a system has never been tried in a country of 120,000,000 population 3,000 miles across. They ignore the tendency in this country to centralize control of everything, and especially of credit. I believe the branch banking system would put us at the mercy of the financial centers.

THE CANADIAN SYSTEM

We hear much about the Canadian system, which is the outgrowth of the British system, but we hear only the good side of it. However, we occasionally run across something suspicious even in these presentations. We are told that Canada has only 11 banks, with an average of about 400 branches, and that there have been no failures. This statement is not in accordance with the record, for they have had numerous failures.

An advocate of the Canadian system in a recent magazine article said they had had only 16 failures in 62 years. The branches are not counted when the failures occur, but let us take them at their own statement. They have 11 banks and they have had 16 failures; that is more than a hundred per cent.

We are told that these 11 Canadian bankers have during the last few years had a smaller percentage of failures than the banks in this country, and I think that is true. But we have a large number of banks in this country that have had no failures, and certainly we have one banking system here, not above referred to, that has gone through entirely without losses, and it has done an enormous banking business. The worst thing that can be said about it is that it has not furnished accommodation to the communities where the deposits were received. They have taken no risk. They have not been interested in building up the communities. If we had only such a system, we would make no progress in our development; we would slow down—we would come to a standstill. The system is the nearest comparable to the Canadian system. I have reference, of course, to the postal savings bank that drains the community dry of its cash.

One of our distinguished Senators, who has spent a great deal of time in Canada, told me privately he believed the natural resources of Canada were equal to those of the United States. Their growth has only been one-tenth the growth of the United States. I believe we are much indebted to the unit banking system for this difference.

I feel that section 19 of the Glass bill should be eliminated in its entirety. There is a movement on foot to control the banking industry of the United States by centralization. This movement might be termed not only national but international. Of late years this movement has been becoming more evident. The only way it can be accomplished, apparently, is through nation-wide branch banking and the complete elimination of the unit bank.

The unit banker has had a most prominent place in the development of the United States. By reason of his individualistic characteristics he has been able to mold himself to meet any possible situation. It has been through his foresight, strength of character, and belief in these great United States of ours that our country has become the foremost in commerce and industry. His endeavors have been most outstanding. The history of our country might have been different if our banking system had been controlled from Washington or New York.

Our dual system of banking has been one of the great motivating factors in making the United States the outstanding country that it is to-day. Our country is too large, too widely diversified, to expect one banking system to be so versatile as to deal with so complex a situation efficiently. The American people are individualistic and so should be our banking structure. The unit bank has a most definite position in our national welfare.

Two reasons have been advanced why we should have one system of banking:

First. The commerce of the United States should be financed in an orderly manner; must have a uniform system of banking under Federal supervision. Our past history does not prove the necessity of the same.

Second. That the Federal Government can not rely upon the voluntary cooperation of State banks and trust companies for the execution of a national policy. The record is clear that there has never been a time when the unit bank or the State chartered institutions have not upheld the hands of our Government.

The placing of our banking structure with the now overburdened bureaucracy in Washington is in direct violation of the principle of State rights. So far no tangible evidence has been offered that the passage of this section would be of value to the rank and file of our citizenry or would meet and stabilize the present situation. We have always the matter of politics, change of administration, Government in business, which can not be overlooked. History repeats itself.

The past several years a large amount of propaganda has been fed to the people endeavoring to educate them to national branch banking, and while the resolutions of some of our financial organizations were rabid in their opposition to branch banking, owing to steady pressure from without and within, their position has been gradually changing.

This plan appears to be a part of the preconceived plan for the elimination of the unit State bank and placing the control of our banking structure in financial centers. Those interested in controlling the banking structure of our country will find it far more easy to handle Washington than some 19,000 different banking corporations scattered throughout the United States. When banking and credit are centralized in a few hands, it is easier for

the powerful to get control of such corporations. In fact, Mr. Whitney, president of the New York Stock Exchange, testified before the Banking Committee that with good dollars he could "go out and buy every corporation in the world," and there seems to be no limit to the number of good dollars they control. This is most true.

DEMANDS FOR MORE POWER

Congress first allowed the national banks to have branches within the city in which they were located. The next step was to allow branches in metropolitan areas. Now the demand is made that we have what will mean nation-wide branch banking in its entirety, and plans have been offered which can be utilized in eliminating every unit bank by direct congressional action.

It is in the interest of the United States that a banking monopoly should not be created. The theory of siphoning credits through a branch-banking system has been exploded. Theoretically it functions perfectly until under pressure the pipe springs a leak. When the unit bank closes there is merely a "pop"; when a system of branch banks closes it is a detonation.

We only have to look back to the history of the endeavor to renew the charter of the Bank of the United States, with its branches in the then leading cities, during the Presidency of Andrew Jackson, to prove now, as then, that a banking monopoly headed in at Washington is not for the best interests of the citizens of the United States.

The placing of more power in the national-banking system is dangerous. Additional powers given this system would not redound to its benefit unless it is coupled with legislation that will cripple or eradicate our present State-chartered institutions. This fear of centralization in the hands of a few is possibly one of the factors behind the popularity of State-chartered institutions and general satisfaction of our dual system of banking.

The following figures speak for themselves:

On December 31, 1931, there were in the United States 194 private banks, 587 mutual-savings banks, 546 stock-savings banks, 1,245 loan and trust companies, and 11,240 State banks—total, 13,812.

The national system had 6,368 banks, with capital from \$10,000 up, of which less than 225 had a capital of \$1,000,000 or over.

As of the same time, national banks had on deposit \$19,210,000,000, which included \$260,000,000 of funds of the United States; while deposits of State-chartered institutions were \$30,486,000,000—a difference of \$11,175,000,000 in favor of State-chartered institutions.

Now as to capital structure. State-chartered institutions had \$175,000,000 more than national banks and a surplus of \$1,700,000,000 in excess of those of national charter. In other words, State-chartered institutions had more millions of surplus above the amount of surplus of national banks than the total aggregate of capital and national banks.

Further, take the period from March 25, 1931, to December 30, 1931. We find that during the intervening period the deposits in national banks decreased \$3,100,000,000, while deposits in State-chartered institutions decreased \$3,700,000,000. The per cent of decrease in each instance is: National banks, 13 per cent; State banks, 8 per cent.

Now, further, a comparison of national bank suspensions and State bank suspensions:

In 1931, prior to the figures cited above, there were 409 bank suspensions, as against 161 for the year 1930, or an increase of 154 per cent. While the State-chartered institutions had 1,809 suspensions in 1931, as opposed to 1,123 in 1930, or an increase of 60 per cent, there were reopened in 1931, 25 national banks and 250 State-chartered institutions, or 10 to 1. In 1930 there were reopened 5 national banks and 140 State-chartered institutions.

Now as to deposits. Time deposits in national banks, including deposits of the Post Office Department in national banks, in December 30, 1931, were \$7,594,000,000, as opposed to time deposits in State-chartered institutions of \$18,430,000,000, or, roughly speaking, 2½ to 1 in State-chartered institutions. In the Postal Savings System, at the end of the last fiscal year, June 30, 1931, there was on deposit averaging \$500 for each depositor, an aggregate of \$347,000,000, an increase of \$172,000,000 for the Government's fiscal year. Eight hundred and ten million dollars of the deposit shrinkage in State-chartered institutions were in savings accounts. The number of savings depositors decreased by one and a half million. Now, obviously, the million and one-half depositors who ceased having savings accounts in State-chartered institutions did not rush to the post office, for the increase in the number of postal savings depositors during the same period was 304,000, or less than one-fifth.

LIQUIDATING CORPORATION

It is hoped that a liquidating corporation will be the means of more prompt payment to depositors of some substantial part of their equity as soon as a bank is closed. It is not a guaranty of bank deposits, though it may point in that direction and, therefore, be subject to much criticism.

GUARANTEE OF DEPOSITS

The State banking system is threatened from another angle, and that is the great demand now on the part of the national banks to have guaranty of deposits. The request is based on the plea that it will restore confidence; but I do not hesitate to say there are national banks that would like to unload their losses on the Federal Treasury, and among them are some large ones; and where the bank is a large one, the taxpayer would be assuming a big

burden. One of the purposes is to give the national bank a certain advantage over the State bank and destroy our dual system of banking. It is an indirect and an insidious way to do that which they dare not attempt to do directly.

The writer believes that guaranty of deposits may sometime become a reality, but it is quite convincing from the experience of many States that tried the bank guaranty law that a more careful approach to the subject must be made, and certainly it must be considered a form of insurance; therefore the two fundamental principles of insurance must be recognized: (1) No loss must be underwritten which can not be paid; (2) no risk should be assumed at 100 per cent value—75 per cent would be a safer figure. The depositor who could get 75 per cent cash would be fortunate indeed compared to some of those who wait many years on the slow liquidation of a receiver.

There are members of this committee who favor guaranty of bank deposits who would hesitate now to have the Government take over bank losses and also to destroy the State banking system, for State banks would not be included in the program for guaranty.

The depression started in agricultural sections brought down thousands of banks. These people have taken their losses. They protest against helping to pay the losses that are now threatening other sections.

PETER NORBECK
(For the minority).

ENROLLED BILL PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on the 29th instant that committee presented to the President of the United States the enrolled bill (S. 194) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLETCHER:

A bill (S. 4539) granting an increase of pension to Nathan J. Barwick; to the Committee on Pensions.

By Mr. LEWIS:

A bill (S. 4540) granting an increase of pension to Kittie B. Campbell; to the Committee on Pensions.

By Mr. ROBINSON of Arkansas:

A bill (S. 4541) granting a pension to Lizzie Knight; to the Committee on Pensions.

By Mr. NORBECK:

A joint resolution (S. J. Res. 151) relating to the manufacture of grasshopper poison; to the Committee on Agriculture and Forestry.

RADIO ADDRESS OF EX-SENATOR JOSEPH I. FRANCE

Mr. HARRISON. Mr. President, I ask leave to have published in the RECORD a radio address delivered by ex-Senator Joseph I. France, of Maryland, April 22, 1932, on the Coercive Power of Federal Patronage and Legality and Moral Force of the Preferential Primaries for the Nomination of Candidates for the Presidency of the United States.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

THE COERCIVE POWER OF FEDERAL PATRONAGE AND LEGALITY AND MORAL FORCE OF THE PREFERENTIAL PRIMARIES FOR THE NOMINATION OF CANDIDATES FOR THE PRESIDENCY OF THE UNITED STATES

It has been repeatedly stated that it would be impossible to prevent the renomination of Mr. Herbert Hoover for the Presidency at the next Republican National Convention. Why? Is it because he has made himself popular? No! Is it because his administration is a success? No! Is it because his renomination is desired or thought advisable by the outstanding party leaders? No! It is boldly stated that he will be able to force his renomination through the use and abuse of Federal patronage. How is the power of this Federal patronage exercised? Mr. Hoover implicitly demands that those who have been appointed by him to lucrative Federal positions lay aside the high and important duties, as servants of the Republic, and devote themselves to pernicious, vicious, and possibly illegal activities to promote his renomination. Thus we find the Postmaster General enjoying a high and responsible position and a large salary laying aside his duties and devoting himself to the fine art of political manipulation to secure the renomination of his Chief, by whose grace he holds office. Thus we see, in the State of Maryland, the collector of internal revenue, Mr. Galen L. Tait, devoting his time, which belongs to the people of the United States, to the perfecting of an organization in the State of Maryland to secure the renomination of Mr. Hoover. By his very official position the collector of internal revenue, by implication, may exercise a certain coercive power over the electorate. He receives the income-tax blanks, collects the revenue, and has general supervisory powers and some discretion as to whether

he should receive those returns as regular and just. As collector of taxes he is in a position of power.

Under all the ancient oppressive governments of earth the tax-gatherers have been the oppressors of the people. Under this new scheme of things the collector of internal revenue is not merely the head of a large organization of subordinates who aid him in the collection of taxes, but through his coercive power over them he makes himself the head of a powerful political organization. Such action can not be defended as moral. It is a question whether it could be defended in a court of law. If, however, the collector of internal revenue, at the time when he appoints a subordinate, demands a resignation in blank in order that he may be able to control the subordinate's political activities, he is then committing a criminal act. I asked a prominent politician this afternoon if the Hoover people had opened any headquarters here. He said, "No; they have no headquarters except the custom-house. Mr. Taft's offices are headquarters."

Moreover, it is believed that in certain instances the promise of office is being used contrary to law to control the political activities of certain citizens. It is reported that the postmastership at Baltimore is being kept vacant and that it has been hinted to a number of aspirants that each may have a chance of appointment. The same condition has been reported concerning other promises of reward. Thus they hope to assist the candidacy of Mr. Hoover by dangling lucrative offices and juicy political plums before the noses of those to whom office means more than an efficient and uncorrupted Republic. By such methods Mr. Taft was renominated in 1912 over that valiant champion of good government—Theodore Roosevelt. In the subsequent election Mr. Taft carried but two States. A prominent nominal supporter of Hoover, in answer to a question as to whether Mr. Hoover could be re-elected is quoted as saying, "Mr. Taft carried Vermont and Utah, but Mr. Hoover will not do as well. He will lose Utah."

Such political methods as this resulted in the enactment, by several of the States, of presidential preference primary laws.

There has been a studied and continuous propaganda for weeks, emanating from apparently some one source, to the effect that the preferential primaries in the States for candidates for the Presidency of the United States are not binding. This statement has been so persistently presented to the American public in all of the press articles concerning the popular vote in the States that it becomes glaringly apparent that there are selfish and sinister motives involved, if not the malicious intent to becloud the issue and minimize the sacredness of the ballot in giving expressions to the will of the masses of our people.

In many of the States laws were enacted; the processes of election set up with all the formality of filing candidacies under strict stipulations as to the required number of voters in each State to sponsor each candidate. The elections have been held and are to be held under the strictest legal procedure as provided in the statutes of the States, but it becomes the duty of certain political headquarters to announce that the results of such elections are not binding upon the delegates elected to the national conventions.

Such interpretation of the laws of the States makes them not only a work of deception, if the interpretations are held to be true; not only a camouflage that would direct the public mind from the successful candidate under the preferential primaries; but, more than that, they make the procedure a violation of every moral and ethical principle and a mockery of justice.

In announcing my campaign for the Republican presidential nomination I did not leave the American people uncertain as to my principles, my ideals, and my practical platform of action. There is no public question confronting the masses to-day on which there may be doubt as to my position.

Under the orderly processes of law, those who have sponsored my candidacy have carried out the requirements of the law and my name has been filed in most of the States where preferential primaries are held.

In North Dakota, with 11 votes; in Illinois, with 61 votes; in Nebraska, with 19 votes, three States where the primary elections have been held, my name was filed by my adherents, and the proper official of each of these States must certify my name to the national convention as the popular will of the people in the preferential election for the Republican presidential nomination. In like manner in the other States where the preferential primaries are to be held, the will of the people must be certified by the States to the national convention. In an opinion rendered by the attorney general of the State of Nebraska, he states "There is a moral obligation on the part of the delegates to vote for a person indorsed for President in the primaries."

In an opinion rendered by the attorney general of the State of Illinois, under date of April 14, he quotes paragraph 393 of chapter 46, Smith-Hurd's Revised Statutes, 1931, which is section 29 of the primary law, and reads in part as follows:

"Provided, That the vote for President of the United States, as herein provided for, shall be for the sole purpose of securing an expression of the sentiment and will of the party voters with respect to candidates for nomination for said office, and the vote of the State at large shall be taken and considered as advisory to the delegates and alternates at large to the national conventions of respective political parties; and the vote of the respective congressional districts shall be taken and considered as advisory to the delegates and alternates of said congressional districts to the national conventions of the respective political parties."

The deputy attorney general of the State of Maryland in an opinion rendered April 14 said:

"The results of a presidential primary election in this State are binding upon the delegates elected to the State convention,

and also the delegates selected by the State convention to the National convention." And further, "the delegates of such party selected by such State convention to the national convention of such party from the State of Maryland shall be instructed and bound to vote as a unit in the national convention for such candidate for President so selected as the choice of the State of Maryland as aforesaid, and such delegates shall continue to vote in such national convention for the choice of the State of Maryland as aforesaid for President as long as in their conscientious judgment there is any possibility of his being nominated."

In the State of Ohio each candidate for election as a delegate or alternate files, along with the declaration of candidacy and certificate, a statement in writing in the following form:

"I hereby declare to the voters of my political party in the State of Ohio that, if elected as delegate to their national party convention, I shall, to the best of my judgment and ability, support that candidate for President of the United States who shall have been selected at this primary by the voters of my party in the manner provided in this chapter as their candidate for such office."

And the attorney general of the State of Ohio in an opinion has said:

"The Secretary of State shall canvass the returns in the manner provided by law for canvassing the returns in the case of candidates for nomination to State offices, and shall forthwith certify the results of such canvass as regards the candidates for nomination in such political party to the persons chosen as delegates or alternates to the national convention of such party."

Invariably the opinion is expressed on the highest authority of the officials of the States that there is the moral obligation for the delegates elected in the preferential primaries to vote for the candidates for President, under the instructions of the people, as expressed through the ballot, a procedure which is the very bulwark of the fundamental principles of the Republic as enunciated in the Declaration of Independence, in the Constitution of the United States, and in the State papers of the Chief Executives of the Nation who have upheld the principles and doctrines of government formulated by the fathers of the Republic.

Notwithstanding the studied propaganda to which I have referred, in the eleventh hour, so to speak, prior to the primary in my own State—the State of Maryland—Mr. Hoover, the present incumbent of the high office of President, has filed; and notwithstanding further that in all the other States he has not had the courage to submit his cause to the popular vote of the people. He did not file in North Dakota. He did not file in Illinois nor in Nebraska. My name was filed and the votes of these three States in which the primary elections have already been held belong to me by every legal process of the State and by every moral obligation. Mr. Hoover would not file in Pennsylvania. He did not file in Ohio. He did not file in New Jersey. He did not file in West Virginia. He did not file in Oregon. In those States my name was filed by my adherents, under due processes of law. The time limitation for filing having expired, the votes of those States will be certified to the national convention and under legal processes and by moral right the votes of the delegates of those States must be cast in favor of my nomination.

If the preferential primary votes in all of the other States are not binding, then why should Mr. Hoover file in Maryland? Is Maryland the only State where the primary is binding? Is it on the theory that the preferential primary in Maryland will be binding but in all the other States not binding?

It has been asserted by certain party leaders supposedly representing Mr. Hoover that the votes in the other States where the preferential primaries have been held and are to be held, notwithstanding the will of the people, will be whipped into line and cast in favor of Mr. Hoover. Have we reached the time in the United States when our moral fiber is so weakened that the President of the United States would commit the immoral act of demanding or even accepting the votes of the delegates that are legally and morally bound to another? It is being openly stated that the delegates to the Maryland State convention have been pledged, before their nomination, to support Mr. Hoover, regardless of the popular vote. In other words, when I win the votes of the people of Maryland indorsing my candidacy, is it the purpose of those delegates to vote for Hoover, contrary to the law and morals?

Are we ready as a nation to admit that the Republic is dead and that our democracy has yielded to dictatorship and autocracy? God forbid! I submit this question fairly and courageously to the people of my State, and I call upon them to so rededicate themselves to the principles of our Republic that they will repudiate the men, regardless of their high places, as committeemen, national legislators, or Chief Executive, who would violate the simple code of morals and thus undermine our scheme of government and ultimately destroy our institutions and civilization.

ADDRESS BY GOV. GEORGE H. DERN, OF UTAH

Mr. PITTMAN. Mr. President, I have here an address by Gov. George H. Dern, of Utah, delivered at the conference of governors in Richmond, Va., on April 26. It is a very able address of a nonpartisan character, and, I think, will be of interest to the Senate and the country. I ask leave to have it printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

AMERICA MARCHING ON

When the governors' conference met last year Pollyanna speeches seemed singularly puerile. By this time, however, we have become so badly bogged in the slough of despond that many of us have forgotten that there is a celestial city toward which we are struggling. I have a feeling that the time has arrived when we ought to brace up and make up our minds that America is marching on.

I suppose a nation's onward march is always intermittent and that when obstacles are encountered there must be pauses and readjustments before the march can be resumed.

I confess that I have lost some of my youthful trust in the old copy-book motto, "Truth is mighty and will prevail," and also in the theory that the world is constantly getting better. I am afraid it is not so automatic as that. If it were, "the glory that was Greece and the grandeur that was Rome" would not have been submerged in the cruel ignorance and superstition of the Dark Ages. The world keeps getting better only so long as there are enough men and women actively working to make it better. An old prophet said, "Where there is no vision the people perish." He, too, saw that progress is not automatic but depends upon leadership.

The United States is still a young nation, full of vitality, with a great destiny yet to fulfill. We have prided ourselves upon the energy, the resourcefulness, the self-reliance, and the hopefulness of the American people. This is no time to lose that energy, that resourcefulness, that confidence, and that optimism. Let our young Nation keep them, and "youth will be served."

How better can we observe the two hundredth anniversary of the birth of George Washington than by emulating his lofty determination to overcome all obstacles? Are our times any more discouraging than were the dark days at Valley Forge? Have we become a nation of cowards and weaklings, who can find no better occupation than to sit and repine? That was not the spirit which won the American Revolution, and that is not the spirit which will carry America forward in 1932.

America must march on. The depression has shown us that there are maladjustments, very serious maladjustments, in our so-called democracy. Perhaps it is well that these parlous times have thrown them out into bold relief so that we can all see them. Perhaps it is well that we have been forced to realize that if America is to march on, these maladjustments must be corrected.

We have two schools of thought in this country. The one merely wants to tinker up the old machine so it will run a little while until it breaks down again. The other wants to let its feet be guided by the lamp of experience and make such changes as to assure us that the machine shall not break down again—at least not in the same weak spot. The one would disregard all the shameful injustice of the past and present, and stand pat. The other would strive for progress and a square deal for all.

I heard an English lecturer recently define a pessimist as one who sees a calamity in every opportunity and an optimist as one who sees an opportunity in every calamity.

Let us not become a nation of calamity howlers. Let us not permit ourselves to become steeped in an atmosphere of defeatism. Sound optimism and healthy common sense are an absolute necessity to-day. Without them we can not cure the ills of our society, and it is certain that democracy can not flourish in a sick society. We have all the symptoms of a sick society.

A friend of mine said the other day that society is like the old woman who dotes on her symptoms: The more she reads the more symptoms she discovers, and the more patent medicines she tries. If we can only exorcise the devils of gloom, fear, and despair, and treat our ills in a rational way, we shall hasten our restoration to economic health.

If, instead of looking for more fancied ailments, or sitting idly by waiting for God, or the weather, or a change of heart in the bankers to bring us relief, we adopt the psychology of health, with a will to do the things that are necessary to bring us back to health, we shall the sooner have America marching on again. The strong, hopeful, courageous, constructive, resourceful individuals who have led America forward to colossal achievement in the past must again exhibit those virtues and lead us out of this morass. The time calls for something more than petty, piddling palliatives.

Is it not a travesty to say that millions of good, stanch Americans must go hungry because there is too much food; that millions must be ragged and scantily clad because there is too much wool and cotton; that millions must be cold because there is too much fuel? And yet that is the kind of foolishness that we have been enduring for the past two years. We can not afford to be smugly content with our present system.

I do not look forward with equanimity to a future when there shall again be seven to ten million men out of work in the United States, with only this difference, that they shall be better supported in their idleness. That might be brought about by unemployment insurance, and would be a great improvement over what we have this year, but it would hardly be a cure at all.

Surely humanity will never be satisfied until business and industry are so stabilized and controlled that this wicked thing called unemployment shall be relegated to the limbo for discarded evils.

That is an easy thing to say but a tremendously difficult thing to accomplish. At any rate, it is a social ideal toward which we should be striving if we want America to become the land of social justice. Perhaps some far-reaching readjustments will have to be made in our business practices. The important thing is to

keep thinking about it and working at it. The greatest impediments to progress are apathy and indifference. These resist improvement and reform more effectually than do the interests which think they are going to be hurt by a change.

We must prevent panics. Alternate periods of prosperity and depression, which economists call the business cycle, may be inescapable; but surely man is not so helpless that he can not keep them within some sort of reasonable limits.

One way to prevent panics is to prevent booms, for a panic is merely the reaction from a boom. "What!" cries the individualist, "interfere with a citizen running his own business in his own way? Horrible!" Well, I am an individualist, too, and yet I reply, "What! Let a citizen run his own business in such a way as to drag his fellow citizens down to ruin and misery? More horrible!"

Unless we are willing to put a watchman on the wall to warn us of approaching danger, greed and avarice will again and again cook up their poisonous speculative broth to lay us low.

Unless we are willing to do something toward stabilizing business we shall keep right on letting our people make money and then taking it away from them and reducing them to poverty.

Unless we are willing to take some constructive step toward permitting or enforcing control of production we shall continue to have overproduction, with its aftermath of depression and the cruel suffering of unemployment.

Unless we devise some feasible method of controlling credit, speculative orgies will again bring on panics, with all their human wreckage.

Unless we improve our banking system we shall again, in some future panic, have 8,000 bank failures, with all their tragedies.

Unless we stabilize our monetary system we shall time after time wipe out the debtor class and paralyze the producer class.

We are in the habit of saying that commodity prices are down. It would be more accurate to say that money is up. It is up because it is scarce. We have as much gold and currency as we had three years ago, but gold and currency are only a very small part of our money. Most of our money consists of bank credits. If a bank makes a loan and places the amount to the credit of the borrower so that he may check against it, the result is just the same as if he had so much gold in his pocket. In 1929 we had \$40,000,000,000 of bank credits in the United States, and \$5,000,000,000 of specie and currency. To-day the bank credits are \$13,000,000,000 less than they were two and one-half years ago, which means that we have \$13,000,000,000 less money now than we had then. The result is that the dollar has become scarce, and hence dear, and when the dollar goes up in value, God help the poor fellow who owes debts and taxes, for those debts and taxes are still payable in the same old dollar, and he must get that dollar, no matter what he has to pay for it. He must sacrifice his crops, or his manufactured products, or his stocks and bonds, or his real estate, or his labor for whatever they will bring in order to get the dollars with which to pay his obligations.

We scoff at Germany for inflating her currency after the war by means of the printing press, which enabled her debtor class to pay up easily in depreciated money but ruined the creditors and investors. That sounds very unjust, but are we doing any better? We are doing the same sort of thing, only on the other side. We are contracting our currency and ruining the debtor class by forcing payments in appreciated money. Which is worse, to ruin the creditors or to ruin the debtors? Of course, it is a conscienceless proceeding to ruin either one. We shall never make even a pretense of dealing justly by our people until we prevent situations like the present one when, as Prof. Irving Fisher said the other day, each dollar of debt has grown to be a dollar and a half. In other words, we need a stable or fixed dollar, so that when a man pays his debts he shall pay what he promised to pay—no more and no less.

The present depression is not due to any one cause. Indeed, many diagnosticians have a tendency to confuse cause and effect. In other words, they cite certain things as causes of the depression which are actually results of the depression. Nevertheless, some of the effects of the depression have become causes of our failure to recover from it.

I sometimes think every Senator and Congressman ought to have a trained economist on his secretarial staff and ought to listen to his advice rather than to the special pleas of privilege hunters who are looking out only for No. 1. Of course, there are economists and economists, and I do not mean that they should all belong to the same school, but they should all understand economic principles.

Business executives do not pretend to all-wisdom on every subject under the sun—they hire and rely upon experts, engineers, chemists, accountants, appraisers, economists. All our problems are economic problems. Why should they not be solved by experts instead of being messed up by amateurs? Winston Churchill says the task of the statesmen is to decide where to go and then to leave it to experts to figure out how to get there.

Some Members of our National Legislature, after years of service, become specialists on one or two subjects, but they must vote on all subjects. Too often they vote on "hunches" rather than on exact knowledge.

I started out to make an optimistic speech, but not a Pollyanna speech. Perhaps I have put more challenge than optimism into it, but I have not meant to do so. Worn-out and discredited economic and political maxims and fetishes we must cast aside. Constructive measures to overcome existing evils we must not be afraid to try. Social justice must be our goal.

I repeat that I think we have the strong, hopeful, courageous, constructive, resourceful individuals in the United States who will lead out so that before long we shall again see America marching on.

NAVAL BUILDING PROGRAM

Mr. HALE. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maine.

RECESS

Mr. McNARY. I move that the Senate take a recess until Monday at 12 o'clock.

The motion was agreed to; and the Senate (at 3 o'clock p. m.) took a recess until Monday, May 2, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

SATURDAY, APRIL 30, 1932

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou art infinitely worthy, Lord God Almighty, because all Thy judgments are just and true. Vouchsafe unto us this day the presence of Thy Holy Spirit. Let us not be diverted by the immediate aspects and circumstances of life. Take away any distemperance of controversy, of conflicts, of passions, and help us to consecrate to our Republic the whole strength of our honor and wisdom. May we always adorn our estate with manliness and unselfish devotion. O God, lead us to be single-hearted, clear-eyed, without confusion, without haste; thus may we pursue the path of our duty. May we arise as messengers of a better day, of an unconquerable people whose hearts beat in the deepest sympathy with world redemption. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a bill and concurrent resolution of the House of the following titles:

H. R. 7119. An act to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes; and

H. Con. Res. 29. Concurrent resolution providing for the acceptance of the statue of Charles Barnet Aycock, presented by the State of North Carolina, to be placed in Statuary Hall.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 149. Joint resolution making funds available for grasshopper control.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8083) entitled "An act providing for the appointment as ensigns in the line of the Navy of all midshipmen who graduate from the Naval Academy in 1932," and for other purposes.

UNVEILING OF MONUMENT TO JOSEPH HEWES

Mr. WARREN. Mr. Speaker, I ask unanimous consent to extend my remarks by including a speech made by my colleague the gentleman from New York [Mr. Bloom] at Edenton, N. C.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, by permission of the House, I take pleasure in inserting in the RECORD a very able and delightful speech made by the Hon. SOL BLOOM, of New

York, at Edenton, N. C., on April 28, at the unveiling of the statue erected by Congress to Joseph Hewes, a signer of the Declaration of Independence. In a large measure the success of the occasion was due to the interest and untiring efforts of Mr. BLOOM as associate director of the George Washington Bicentennial Commission.

The address is as follows:

ADDRESS OF HON. SOL BLOOM, ASSOCIATE DIRECTOR UNITED STATES GEORGE WASHINGTON BICENTENNIAL COMMISSION

I see all about me the pride and pleasure which the good people of this historic city have every right to take on this occasion. But it is my rare privilege to draw from it a pleasure that is probably greater than that felt by anyone else who is present.

On the program of the day I am put down as responding to an address of welcome. I have certainly had a welcome here that stirs every fiber of my being.

But in turn I bring a welcome and a blessing to you—a welcome that comes to you from the entire United States.

The welcome I bring you is for the important addition you are making here to this tribute our people are pouring forth this year. That is why I may claim to enjoy a pleasure even greater than your own.

I feel all the pride that you feel. And to that is added the pride of all the millions of good Americans in our country. For the unveiling and dedication of this monument to Joseph Hewes takes appropriate place among the most important of all the celebrations of the year.

Joseph Hewes played a pivotal part in the life and labors of George Washington, whose friend he was. The shining patriot who lived here, and forever adorns the history of your city, was far more than a mere passive signer of the Declaration of Independence.

We have it on the authority of John Adams that Joseph Hewes cast the deciding vote that led to the adoption of that immortal charter of our liberties.

The Continental Congress had already sent George Washington to chief command on the fields of battle where our national destiny was to be decided. In the Declaration of Independence it placed in Washington's hands full warrant for all he might be called upon to do in the winning of our liberties.

Without the vote of Joseph Hewes that warrant would have been withheld. But with the deciding voice of Hewes history perfected itself, and George Washington was armed with the last great power he needed—the power of an aroused, united, and flaming public opinion.

And the adoption of the Declaration of Independence was no easy matter. We are told by recorders of that great crisis that for months the question of independence had been discussed, and always the majority had been against it.

Clouds and uncertainties surrounded that deliberative body. Dangers hovered over it. What happened we have in the words of John Adams himself.

"For many days," says Adams, "the majority (against the declaration) depended on Mr. Hewes, of North Carolina. While a member one day was speaking and reading documents from all the Colonies to prove that public opinion, the sense of all, was in favor of the measure, when he came to North Carolina and produced letters and public proceedings which demonstrated that the majority in that Colony were in favor of it, Mr. Hewes, who had hitherto constantly voted against it, started suddenly upright, and lifting both hands to heaven as if he had been in a trance, cried, 'It is done, and I will abide by it.'"

And then exulting John Adams says, "I would give more for a perfect painting of the terror and horror upon the face of the old majority [against the declaration] at that critical moment than for the best piece by Raphael."

It is little wonder that George Washington made friends with a man of such courage.

There is, perhaps, little that is new that I could impart to you concerning the great patriot who lived here. The people of Edenton are in a position to give rather than receive information concerning him.

My errand here is rather to give you a sense of how this occasion fits like a jewel into the picture of an entire people. The Nation is rendering this year a great tribute to its greatest man, and to all the lofty-minded men and women who either aided him personally, or backed his efforts with that loyal public opinion which John Adams refers to with such exultation.

This year an entire Nation takes delight in going over its long and honorable history and feeling at one with its past. It gives us all a new dignity, a new feeling of stability, to turn and take note of our increasing age as a people, and watch the lengthening years stretch out behind us.

It enables us to feel that we are no longer a "young" or "new" nation, but now stand as a fixture among the firmest and strongest nations of human history.

And under all this new pleasure that has come to us, I see a deep and wholesome national instinct. It is more than a mere curiosity as to our history that is turning us back to the past, so that we may say to ourselves again: "Yes; these great men, these shining adornments to history, belong to us. They are Americans. We produced them."

We are turning back to them because we know they were leaders who triumphed in a difficult and dangerous time. Now

our country, together with the entire world, is in another difficult and puzzling period. We stand confused and anxious. The cry for leadership arises on every hand. We are troubled for our personal fortunes, and some of us even for our national safety.

So, in the midst of our fears, we have an instinct to turn back and see how Washington and his fellow patriots mastered their trials and discouragements. We feel a need to profit by their example, to study their methods, and refresh ourselves from the spirit of self-giving that made them patriots and made them great.

For many years we have felt that we lived in a wholly new and improved time. We looked upon the America of to-day, with its marvelous inventions and advancements, as something new in the world. By comparison the America of Washington's time looked primitive and old-fashioned. It seemed to belong to a day that was past.

I believe that if we were honest enough to confess it, we felt toward Washington himself that while he was undeniably a great man in his time, he, too, belonged in the past.

But now we have found that even this most advanced world of to-day is subject to the same shocks and stresses that have afflicted nations since the world began. We have found that not all our wealth could save us from uncertainty and fear and distress. We have found that even this scientific time is in danger without the old human virtues of unselfishness, patriotism, thought of country before thought of self.

And so we are moved by a deep and saving instinct to turn back to the great men who practiced these virtues and built so great a nation. We feel a need to purge ourselves of the vices of greed and selfishness and forgetfulness of country, that have brought us into loss and confusion, and be filled again with the sublime incentives of the fathers.

In my opinion, nothing else than this profound popular instinct can account for the quiet but great and strong enthusiasm which our people are throwing into this remarkable year-long tribute of respect and reverence to George Washington and his great associates. It is more than a passing jubilee; it is the solemn rededication of a people to their ancient standards, and to the mighty souls of old who set us the immortal example of how those standards should be held aloft.

To many of us, no doubt, this return to our ancient history can be hardly more than a refreshing study, an effort to grasp from books and pictures a sense of the reality of our past.

But there are in the country certain privileged localities that are the very birthplaces of that history. There we get a real feeling of the actuality of those days and their great men. For there about us are the very houses where they lived and planned, the very churches where they worshiped, the very streets they passed along on their way to business.

This city of Edenton is such a place. It seems to me that here we see America at its very best.

You have here superbly beautiful natural settings and surroundings. You have here traditions of the finest culture, running back to America's very beginnings. You have a record of patriotism that takes its place beside that of any other community in the original Colonies.

An honored dweller in this colonial town played a decisive rôle in upholding George Washington's arm and in establishing the freedom of all the Colonies. And into this community President George Washington reached for a member of the Supreme Court, so that the work of Joseph Hewes in molding our national structure was continued by James Iredell, his intimate friend and lifelong admirer.

By contributing all this Edenton fixes itself forever in American history, and by celebrating to-day the memory of one of her great patriots your city adds, as I say, a touching and important feature to the Nation's great program of tribute this year.

And in marking the everlasting memory of one of these men you are animated, I know, by something of that same wave of national feeling which I have witnessed everywhere else in the country—this turning back to the ancient spirit for that renewal of purpose which we crave and need so much to-day.

So here, too, the underlying instinct and plan of this memorable bicentennial year is being fulfilled.

And so I, who have come here to receive one welcome, bring you another welcome from an America united this year as never before; rallied as one behind the memory of Washington and of those upon whom he relied for help and support.

Let us remember that while these deeply moving occasions remind us of the dignity of our increasing age, nevertheless, America is always new. It is as new to-day as it was in the days when Washington ordered read to his troops the Declaration of Independence, made possible by the brave and self-sacrificing vote of your famous townsman, Joseph Hewes.

Our Nation is ever new because it has new problems to face and to master every day. For that is the law of progress. If we are to march on, we must be prepared to meet new obstacles at every stage.

The truth of the matter is that every day every one of us has his own declaration of independence to sign. Every day the Nation itself must start a new independence.

In the day of Washington and Joseph Hewes, the independence so passionately desired, so defiantly declared, and so heroically fought for, was independence from a foreign political tyranny.

Washington, with men like Joseph Hewes to support him, forever settled that great question.

But to-day we need independence from the tyranny of distress, from selfishness, and a hundred enemies within our own borders, that have reduced us to fear and uncertainty.

It is high time that we turned back and learned how the fathers won their independence that we may learn how to win ours.

The man to whose everlasting honor and memory this shaft is unveiled to-day was the type of man who could vote a saving measure for this country, though he knew that measure might ruin his business. Long before the Declaration of Independence was discussed, Joseph Hewes voted for nonimportation of English goods, though his whole fortune depended on his ships and his trade.

Joseph Hewes died at the post of duty. He gave his life to his country as truly as if he had lost it on the field of battle. Frail of body, he devoted himself to brave stands in the council chamber and there labored with a fierceness of energy that finally killed him. He thus ends a perfect record of service to his country and his fellow countrymen with the crowning touch of being the first Member of the Continental Congress to die almost at his desk.

In a letter written while the clouds of the Revolutionary War were gathering, Joseph Hewes tells that he has bought a good musket and a bayonet, and that he would rather fall in action than fade away from his lingering malady.

His wish was fulfilled though in a different way. He died for country after labors and achievements that accomplished far more for his people than he could with a musket in the ranks.

Upholder of his young country's commerce, faithful representative of his countrymen in their provincial assemblies, fearless upholder of their rights in the Continental Congress, signer of the Declaration of their Independence, first executive head of their Navy, wise and experienced legislator—Joseph Hewes was the perfect example of those self-giving men who made possible George Washington's work for America and for humanity.

It is to the type of patriot represented by your eminent townsman that we are turning back this year, in this national impulse I speak of—this instinct to recapture some of the iron will, the fearless determination, and all the other sturdy virtues that enabled those men to triumph over their dangers and difficulties—so that we may become the masters of ours.

If we would honor Joseph Hewes here and George Washington everywhere this year, this is the one best way we can do so—by bringing the spirit of 1776 into the problems of 1932.

Your welcome here reflects truly the finest traditions of this beautiful Southland. It is the perpetual tie of that fine hospitality that reaches us and binds us with the past. In this glorious season of vernal beauty when all nature joins in a grand chorus of praise to our All Merciful Creator, your welcome blends with that spirit of friendliness that makes us one with Him.

Those who come here, as I do, for the first time, feel that we have gained a certain enrichment in our lives. There is an impression that will last always, not alone of what you do and say to-day, but of the atmosphere which shines like a radiance all about us.

I have a new understanding of your love for this place; your yielding to its charms; your local patriotism. And your welcome seems to breathe a sentiment of all those who have gone before you—a welcome to your lives and to your hearts.

So long as that sentiment prevails, so long as we preserve that strong feeling of attachment to our native land, so long will our Nation last. In honoring an American patriot we honor our land. This reverent act performed here to-day seems to me proof that it is our national impulse this year. It speaks out in this noble tribute of respect. It is speaking wherever the memory of George Washington, or any of his coworkers, is likewise honored during this two hundredth year since Washington's birth.

I therefore stand here moved as never before, because I believe the feeling here and everywhere else exhibited in America this year is a proof that our country is safe, because by such very acts as this, it is refreshing itself from the men and the principles that brought it into being and gave it life.

I believe in the principles laid down by George Washington.

I believe in the wisdom of his compatriots.

I believe in the Americans of to-day.

I believe in—America.

ECONOMY

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the subject of vocational agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. DISNEY. Mr. Speaker, we hear the cry on every hand that the Government must economize, yet at the administration's instance a moratorium was granted to Europe whereby we lost \$252,000,000, temporarily at least, and I think permanently. Then the administration brought up the Reconstruction Finance Corporation bill, called by its enemies "the millionaire's dole for big business," which carries an appropriation of \$500,000,000, with a possible expenditure of \$2,000,000,000.

After having recommended that these amounts be expended, the administration is now looking for places to

economize, and retrenchment against vocational agriculture is suggested by the President in the sum of \$8,500,000, which is insignificant compared with the enormous sums I have just mentioned.

There is not a Member of this House who is more deeply sensible of the fact that our Government must economize, or whose every act has been more in that direction, than myself, but I certainly am unalterably opposed to any such means of economizing as that suggested by the President in this instance. Appropriations made for purposes such as the education of our youth in agriculture should not be decreased, as that would be false economy in the long run. There are other means of economizing without taking from the youth of our country the advantages which they have enjoyed and which are of such material benefit to them in future life.

For the past 15 years the State of Oklahoma has made appropriations in good faith, expecting a permanent allotment annually from the funds created by the tax. These State appropriations are made on a cooperative basis; therefore the withdrawal of Federal funds for one year would destroy the program in my State. The withdrawal of the Federal allotment in my State would mean depriving 5,000 adult farmers from receiving organized instruction in problems which confront them locally, including living-at-home readjustment; (2) depriving 4,000 farm boys from continuing their training in vocational agriculture, through whose efforts 68,000 acres of home farms were terraced; (3) 130 specially trained teachers of agriculture would be thrown into unemployment in the State of Oklahoma; (4) would destroy 15 years of effort in developing an efficient training program for future farmers; (5) would deprive 130 local communities in my State of funds necessary to provide a systematic and efficient training program.

The remarks I have just made apply particularly to vocational agriculture, but I desire to extend them to take in vocational education in general and to state that vocational education is justifying the hope of those who sponsored the legislature creating Federal support for this work, and that it would be a serious mistake to permit legislation at this time which would practically destroy the efforts of both the Federal Department of Vocational Education and the State department of vocational education which have been exerted over the past 15 years.

OUR TRANSPORT SERVICE

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to revise and extend some remarks of mine on our transport service.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIBSON. Mr. Speaker, we are proud of our Army and Navy Transport Services. They are well organized, fully equipped for specialized work, and are efficiently operated. The officers and the enlisted personnel are of the highest types. The ships are rendering a peace-time service that is absolutely essential to our far-flung activities. They are operated at a cost considerably less than the amount the Government would be obliged to pay to regular commercial lines for the same work. The proposition of discontinuance of operation would not result in economy. Since 1927 the Navy transports have been operated as a unit at a profit.

The cost of operation of the Army transports from 1908 to and including 1931 has been \$70,933,786.40. The lowest commercial rates for the same service would have cost the Government \$119,455,859.34. For the year 1931 the cost of the Army Transport Service, including depreciation and interest, was \$4,666,576.98. The cost for the same service commercially would have been \$6,238,310.74. This represents a saving for the year of \$1,571,733.76.

Discontinuance of the Transport Services would be at the expense of reducing the efficiency of national defense by taking away an integral part of the Military and Naval Establishments. Commercial lines are not equipped for the specialized service that is required.

We also take pride in the building of the Panama Canal, through which flows a considerable portion of the commerce

of the world. Its construction was one of the great engineering feats of the age and stands as a monument to the genius of American engineers. The Panama Railroad, running from Colon to Panama, connects the east with the west coast and follows, generally, the course of the canal. Practically all of the stock of this railroad company is owned by the United States Government, but it is operated as a separate corporation.

The railroad company operates a steamship line to New York for the transportation of freight and passengers. It is a necessary adjunct to the canal. Passenger business is made up largely of Government employees in the Canal Zone. Life in the tropics is wearing and it is necessary for Americans who live there to come periodically to the Temperate Zone for recuperation. The Government has, in effect, promised transportation to its employees and members of their families at the rate of \$30 each way, or \$60 for the round trip. Government freight is carried at 75 per cent of the regular tariff fixed by commercial lines, so the Government is a beneficiary of all its freight carried and Government employees have the benefit of a considerable reduction for their transportation. This reduction approximates \$500,000 per annum.

The steamship line operated with reduced rates has had an average annual loss of \$60,000 during the past five years, but, if the same rates charged by commercial lines had been collected, it would have shown a profit of \$440,781.43. It is perfectly clear that the operation is not carried on at a loss to the Federal Government. The railroad company has shown an average annual profit for these five years of \$1,769,979.58, after absorbing all of the losses of the steamship lines, so there has been no loss, in fact. The steamship line is not financed by the Treasury, pays no dividends into it, and receives no funds from it.

It was proposed in the economy bill to discontinue the operation of the steamship line, to dispose of the vessels, wind up its affairs, and make contracts with commercial lines for the service. While it is true that as a condition precedent to carrying out this scheme contracts must be entered into with these commercial lines at substantially the same rates as now prevail, there is no question but that the Government, under such a plan, would soon find itself at the mercy of the shipping interests.

The whole move seems to be an attempt, under the smoke screen of economy, to gain control of Government shipping in the Canal Zone by big outside shipping concerns. This plan has been whispered about the tropics for years, and it has been generally understood that the attempt would be made just as soon as a favorable opportunity presented itself. The House did a good thing in the interests of economy to defeat the move. Similar proposals have been rejected within the last 10 years by three Secretaries of War, three committees of Congress, by the Chief Coordinator, and by former President Coolidge.

The Hon. Dwight F. Davis, then Secretary of War, well set forth the situation in a letter to the President, dated April 27, 1928, when he said:

The line is an integral part of the Panama Canal and indispensable in its discharge of its normal responsibilities. The successful operation of this great enterprise, which is of vital importance to the United States, demands absolute security as to its line of supply to this country.

We must guarantee absolute security in the operation and control of the Panama Canal.

Let us hope that the defeat of the proposal ends for all time any attempt on the part of all greedy interests to gain control of our Army and Navy Transport Services and the Panama Canal service.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. KETCHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KETCHAM: Page 35, line 20, strike out the word "shall" and insert the word "may."

Mr. KETCHAM. Mr. Chairman, I desire to direct attention to this amendment, which is not of very great consequence but which I think has a sufficient degree of importance to merit a moment's consideration.

I am asking that the word "shall," in line 20, which gives a positive direction to the Administrator of Public Works to utilize the services of the Corps of Engineers or the officers of that corps, when it shall prove practicable, shall be changed from that positive direction to a permissive direction; that is, that he may do it instead of being directed to do it.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. LaGUARDIA. Mr. Chairman, I am sure the gentleman and I have the same thing in mind; but how would the amendment correct the defect and the situation that we are both trying to avoid?

Mr. KETCHAM. Mr. Chairman, when that line is read using the word "shall" followed with the language "whenever and wherever practicable" it will be found that the discretionary power of the administrator of public works is not made very broad. In other words, when he finds it practicable to use these men a positive direction is given him that he shall utilize the services of the Corps of Engineers.

Mr. COLTON. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. COLTON. I had in mind the offering of a similar amendment to the one offered by the gentleman from Michigan. For instance, in the Bureau of Public Roads this amendment would in effect direct that the approving of road projects should be done by the Army engineers. That is not practicable nor for the best interest of the road-building service.

Mr. KETCHAM. The reason I am proposing this amendment is that a reading of this whole section discloses that the Corps of Engineers has not had its activities circumscribed at all as far as rivers and harbors work is concerned. It simply means a positive enlargement of the duties and responsibilities of the Corps of Engineers in a number of other directions where construction work is to be done.

Mr. COCHRAN of Missouri and Mr. ENGLEBRIGHT rose.

Mr. KETCHAM. I yield first to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. The committee of which I am chairman originally handled this bill. Knowing the attitude of the other members of the committee, and in view of the fact that the gentleman from Utah [Mr. COLTON] has just expressed himself, I do not see any objection to the gentleman's amendment. However, I would suggest that on page 36, line 20, he also strike out the word "shall" and insert the word "may." That also applies to the Engineer Corps.

Mr. KETCHAM. That should be changed as well.

Mr. WILLIAM E. HULL. The gentleman wants to change it from "shall" to "may"?

Mr. KETCHAM. Yes.

Mr. WILLIAM E. HULL. That is agreeable to me.

Mr. KETCHAM. Mr. Chairman, I yield now to the gentleman from California [Mr. ENGLEBRIGHT].

Mr. ENGLEBRIGHT. It is not the gentleman's idea to carry the supervision of this board so far as to say that they shall take charge of construction work of garages and matters of that kind, is it?

Mr. KETCHAM. It is not. The only thing I am seeking to accomplish by this amendment is to untie the hands of the administrator by relieving him of a distinct command in

the word "shall" and give him the discretion that would be carried by the use of the word "may"; that he may use these services if it is desired. If we leave the language of the bill as it now is with the word "shall," his discretionary authority is sharply circumscribed.

Mr. CONNERY. Will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. CONNERY. The language of the bill reads:

The Administrator of Public Works shall utilize the services of the Corps of Engineers or the officers of the Corps of Engineers.

Why does not the gentleman strike out the words "of the Corps of Engineers" and leave in the words "the officers of the Corps of Engineers"? Does the gentleman not think those men could be put to work building post offices?

Mr. KETCHAM. I have a great deal of sympathy with the views expressed by the gentleman yesterday, but that is not the thing I am seeking to reach at this time.

[Here the gavel fell.]

Mr. LaGUARDIA. Mr. Chairman, I offer a perfecting amendment. I move to strike out paragraphs (b) and (c) on pages 35 and 36.

Mr. McDUFFIE. Mr. Chairman, may I have a moment in opposition to the amendment offered by the gentleman from Michigan? Gentlemen, I recognize that there seems to be a very slight difference between the word "shall" and the word "may." Of course, we are going to yield to the wishes of the committee, because we are not arbitrary in our views, but the thought of the Economy Committee was that we have a great many Army engineers whose services might be most valuable in supervising public construction. When we find an engineer whose services are not essential otherwise, and there is a road project on which he can be used, or his services can be utilized in connection with the construction of a bridge, or any public construction, then it should become the duty of this administrator to have that engineer proceed to supervise or direct that work. Of course such an engineer will act in a supervisory capacity. Now, why should he not be so employed? Why should you leave it discretionary if you really want to use the services of these highly trained men who are thoroughly capable of doing this work? Why should you refuse to say that they shall do it? That was the idea of the committee.

Mr. SNELL. Will the gentleman yield?

Mr. McDUFFIE. I will be glad to yield to the gentleman.

Mr. SNELL. It seems to me lines 22, 23, and 24 give all the leeway necessary, provided you want to take advantage of these Army engineers.

Mr. McDUFFIE. The gentleman means that we should use their services?

Mr. SNELL. Exactly. The language is whenever and wherever practicable. That is all that is necessary.

Mr. McDUFFIE. It seems to me that is broad enough, and I am glad the gentleman has made that observation.

Mr. KETCHAM. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. KETCHAM. I think all of us are very proud of the splendid work done by the engineers. Nevertheless, we know there is a disposition to crowd the Army engineers in on all kinds of work. I have no manner of question in my own mind but that when the appointment of the administrator is made it will be a very distinguished Army engineer. Then what would he do? I want to say to you that he would find more opportunity to make it practicable than you could imagine.

Mr. McDUFFIE. I do not agree with the gentleman at all.

Mr. COLTON. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. COLTON. Take, for instance, the case of the Bureau of Public Roads. This will give the administrator of public works the opportunity—and in effect direct him—to use Army engineers for examining and approving road projects.

Mr. McDUFFIE. Where it is practicable.

Mr. COLTON. The gentleman knows that there are great road organizations in all of the States. Would not the administrator take this as a direction that he should change

the present set-up of the Bureau of Roads and use Army engineers?

Mr. McDUFFIE. I do not agree with the gentleman as to that conclusion.

Mr. HASTINGS. Will the gentleman yield for one statement?

Mr. McDUFFIE. Yes.

Mr. HASTINGS. That would not apply to the Bureau of Public Roads throughout the country for the reason that the allotments are made to the several States and the roads are laid out and constructed in the several States under State direction. So this subdivision (b) would not apply.

Mr. McDUFFIE. The gentleman is undoubtedly correct.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. WILLIAM E. HULL. Is it not true that two-thirds or three-fourths of the present engineers are civilian engineers?

Mr. McDUFFIE. I think that may be true. I hope the committee will allow this language to remain in the bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan?

Mr. LA GUARDIA. Mr. Chairman, I offered a substitute.

The CHAIRMAN. The Chair did not understand the gentleman to state he offered a substitute for the amendment offered by the gentleman from Michigan. Without objection, the Clerk will again report the amendment offered by the gentleman from Michigan.

There was no objection.

The Clerk again read the amendment.

Mr. LA GUARDIA. Mr. Chairman, as a substitute, I move to strike out all of paragraph (b), and on page 36, paragraph (c), line 16, commencing with the words "the Secretary," strike out the balance of paragraph (c).

Mr. STAFFORD. Mr. Chairman, I make the point of order that is not in order at this time.

The CHAIRMAN. The Chair sustains the point of order. That is a motion to strike out. The question is on the amendment offered by the gentleman from Michigan [Mr. KETCHAM].

The amendment was rejected.

Mr. LA GUARDIA. Mr. Chairman, I move to strike out all of paragraph (b), commencing on page 35, and on page 36, paragraph (c), line 16, commencing with the words "the Secretary," strike out the balance of paragraph (c).

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LA GUARDIA: Page 35, line 20, strike out all of paragraph (b), and on page 36, line 16, after the word "therein," strike out the remainder of the paragraph.

Mr. LA GUARDIA. Mr. Chairman—

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question as to whether or not there will be any economy under Title V? Does it not depend entirely on the President? Will the gentleman answer that?

Mr. LA GUARDIA. I will answer it, but do not take my time when I have only five minutes. We have had a night's rest and I think we can discuss a matter of this importance calmly without the gentleman from Texas getting unduly excited.

When we talk about labor we not only include the man with the pick and shovel, but we include skilled labor, engineering, and management, and here we are changing the whole policy of the Government in the construction of public works.

If it is the intention of the committee and the House to replace engineers and architects in civil life with Army and Navy officers, the House is free to vote such a fundamental change in policy, but let us know what we are doing. Under paragraph (b) the latitude is so broad and the direction in the law is so specific as to make it mandatory upon the Director of Public Works to first call in Army and Navy engineers, to the exclusion of all professional men in private life.

We must consider the hundreds and thousands of engineers and architects who have educated themselves at their own expense, who are established in their professions and who are entitled to some consideration in rendering services on public works. I submit that within a few years you would have exactly the same situation in respect of all public works as you have now in respect of rivers and harbors. If this is what the House desires to do, all right, but let the RECORD show that this section is so specific in its directions that the Administrator of Public Works would first have to utilize every available Army and Navy officer before a private architect or engineer could be given a retainer for public works.

Mr. COLTON. Will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. COLTON. And the language in lines 21, 22, and 23 do not take away the mandatory provision as suggested by the gentleman from New York [Mr. SNELL] a few minutes ago.

Mr. LA GUARDIA. Of course not, and it also permits them to call in sergeants of the Corps of Engineers or corporals and use them as foremen; and while the gentleman from Utah is on his feet, is it not true that the Committee on Expenditures considered this very proposition for seven weeks, and is it not true there was a minority report against any such provision in the bill?

Mr. COLTON. That is absolutely true.

Mr. SNELL. I admit it is not mandatory, but I supposed we were trying to put through here an economy measure to use the men that are already on the pay roll in preference to hiring some one outside.

Mr. LA GUARDIA. Would the gentleman from New York use the Army cook school to put into a cheese factory—we have good chemists there?

Mr. SNELL. That is nothing like the proposition that we have before us.

Mr. LA GUARDIA. It is the same thing. An officer in the Engineer Corps is not necessarily an engineer.

Mr. SNELL. Let us discuss the matter on its merits.

Mr. LA GUARDIA. Exactly.

Mr. SNELL. These engineers who are trained for specific work, in my judgment, should be used if we want economy. If we do not want economy, then vote it out.

Mr. LA GUARDIA. But our experience has been that it is not economical, that they are slower in the preparation of their diagrams and plans and specifications. The cost of river and harbor work is the complete answer to that.

Mr. SNELL. The gentleman is wrong about that.

Mr. LA GUARDIA. I submit this provision ought to be voted down.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on section 502 and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. COCHRAN of Missouri. Mr. Chairman, I think the gentleman from New York has gone a little too far in his argument with respect to what this section would do. The gentleman goes all the way down to the enlisted men and the cooks and states it would be possible to use them. The fact of the matter is that efforts were made when this bill was under consideration by the Expenditures Committee to put the entire administration under the engineers of the Army. The committee very wisely refused to approve such a plan.

You have the engineers of the Army and the commissioned personnel of the Bureau of Yards and Docks of the Navy, and the Government is paying these officers large salaries to perform work for the Government. The Engineer Corps of the Army and the commissioned personnel of the Bureau of Yards and Docks of the Navy must secure some training to be of value in time of war. Both are most important arms of our national defense.

Now, what do you want them to do—sit in their barracks and hold their hands—or do you want them to perform

some service to the United States for which they are now paid?

Mr. JAMES. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. JAMES. The Corps of Engineers consists of over 5,000 enlisted men. Are you going to use the enlisted men?

Mr. COCHRAN of Missouri. Absolutely not. There is no intention of that.

Mr. JAMES. If the gentleman will read the language, he will find that they could use them, and the Corps of Engineers consists of 5,000 men.

Mr. CONNERY. If the gentleman will yield, right along that line, under the language of this section, you could use those 5,000 enlisted men to build a post office if they saw fit to do so.

Mr. COCHRAN of Missouri. I do not agree with the gentlemen from Michigan and Massachusetts. Now I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that the language of this bill is used in all river and harbor work?

Mr. COCHRAN of Missouri. The gentleman from Mississippi is correct.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. HILL of Alabama. Would the gentleman have any objection to an amendment to make sure the definite statement that he has made?

Mr. COCHRAN of Missouri. What is the amendment that the gentleman proposes?

Mr. HILL of Alabama. Page 35, line 21, strike out the words "of the Corps of Engineers," and have it read, "shall utilize the services of officers of the Corps of Engineers."

Mr. COCHRAN of Missouri. Personally, I have no objection to such an amendment, if that will satisfy the opposition. I have no desire to touch any man in the Engineer Corps except to have the officer render some service for which he is being paid.

Mr. HILL of Alabama. Will the gentleman offer that amendment?

Mr. COCHRAN of Missouri. If it is agreeable to other members of the committee, I will be pleased to offer the amendment. I am as anxious as any other Member to make sure the enlisted men in the Corps of Engineers do not get in this set-up. They have no place here and I can not conceive that they would be used, under the language contained in the bill.

Mr. COLTON. Mr. Chairman, I move to strike out the last word of section 502 as a pro forma amendment, to get some information from the gentleman from South Dakota. I am very much interested in the building of minor roads and trails in the Forest Service, and I feel sure that the Forest Service can build these roads and trails much cheaper. I would like to ask the gentleman from South Dakota if he understands that under the provisions of 502 (a) the work now being done by the Forest Service on roads and trails will come under the bureau of public works?

Mr. WILLIAMSON. The Administration of Public Works will be composed of such construction activities as the President may consolidate. As far as the Bureau of Forestry is concerned, it will occupy the same relation to the Administration of Public Works as it now occupies to the Bureau of Public Roads. There is no intention of taking the construction of forest roads and trails away from the Forest Service. If the Forestry Service of the Department of Agriculture is in need of technical engineering services in the construction of forest roads, it now calls upon the Bureau of Public Roads for the engineering skill required. The same will be true with respect to the Public Works Administration. It is essentially a service organization which will be at the disposal of every other department for such construction as it requires. It is not intended, and the bill does not contemplate, that the new administration shall take over minor construction projects that are merely incidental to the proper functioning of some other bureau of the Government. Roads and trails are incidental to fire protection, and

their construction will undoubtedly continue with the Forest Service, except for major projects, if any, where expert roads engineers may be required.

Mr. COCHRAN of Missouri. Will the gentleman yield? I want to see if this will be acceptable. I will offer an amendment striking out on page 35, line 21, the words "of the Corps of Engineers or," which will remove the objection of the gentleman from New York.

Mr. COLTON. That will help some; but, nevertheless, the whole debate this morning has shown the danger with which we are confronted.

This whole subject was considered for many weeks by the Committee on Expenditures; and here in a few moments we are, with little debate, writing permanent law which will have a far-reaching effect on the building activities of this country. These building activities include roads, public buildings, and many others of a similar nature.

For instance, the gentleman claimed a few moments ago that the road projects were engineered in the various States. That is true. The Bureau of Public Roads, however, supervises and passes upon all work, and no project is accepted on which Federal aid is expended until the Bureau of Public Roads passes on it. Under this provision of the bill we are saying that this work may be done by the Corps of Engineers of the Army. I have great respect for the Army engineers; but we also have an efficient Bureau of Roads. They are doing their work well. They are acquainted with road-building activities in every State of the Union. They have experts in all lines of road building; and, with due respect for the Army, are more expert in building roads. They are acquainted with road commissions in all of the States, and no one is complaining that they are wasting money.

Now we propose to grant authority to make a complete change, with no hearing or nothing on which to base such action. It all shows that we ought not to take matters of such tremendous importance and legislate upon them in this way. This bill covers so many subjects. We have not the time, we have not the opportunity to consider them as they should properly be considered.

I hope the interpretation of the language of the gentleman from South Dakota [Mr. WILLIAMSON] will be accepted. Because of the position he has taken I shall not offer an amendment. I had in mind to offer an amendment to this effect:

Provided, That this section shall not apply to minor roads and trails and other improvements for the protection and administration of the national forests.

If the gentleman's interpretation is correct, it is unnecessary.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. BLANTON. Mr. Chairman, on many subjects the gentleman from New York [Mr. LaGUARDIA] is as sane as a philosopher, and his judgment thereon is good, but on the foolish question of the Government employing and furnishing jobs for everybody, he is as wild as a March hare. [Laughter.] And when I say that, I am talking about one of my friends.

The gentleman from New York would have this Government employ and give a fat job to every engineer in the United States. He would have the Government of the United States employ and give a fat job to every architect in the Nation. He would have the Government employ at big wages every painter and every bricklayer and every hod carrier and every financier in the United States.

The Government can not do that. I want the Government of the United States to employ just as few people as possible, not just as many. [Applause.] This is the people's government. The people have to pay its bills. The Government of the United States does not owe a job to anybody. All it owes is protection and equal opportunity, so that all may have an equal chance to get jobs. The Government of the United States ought to stop handing out

jobs. The taxpayers are getting tired of paying Government salaries.

If we can use in Government business these highly trained Army engineers on whom we spend \$13,000 merely in putting them through the academy and then \$25,000 more on intensive education after they come out, we ought to use every mother's son of them on every Government work in the Nation. The private architects that were employed on this Hoover Department of Commerce Building had fees paid to them that are simply outrageous. The big fees that this Republican administration has paid outside consulting architects on every big building that this Government has constructed stink to high heaven, and we ought to stop it.

Mr. LA GUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. The gentleman would not yield to me, but I am more courteous to my friends than is the gentleman, and I shall gladly yield to him.

Mr. LA GUARDIA. Yes; I think the gentleman is more courteous than I. The gentleman the other day made one of the most forceful arguments I ever heard.

Mr. BLANTON. All of my arguments are forceful.

Mr. LA GUARDIA. As to lawyers who had had no experience. These men in the Engineer Corps are not engineers, they have had no engineering experience except on rivers and harbors.

Mr. BLANTON. Why, we have the finest engineers in the world in the United States Army, and we ought to use them. This whole Title V, which seeks to create another big bureau, ought to go out of this bill. I am not in favor of creating another bureau. I am in favor of abolishing these useless bureaus that are fettering the Public Treasury and causing deficit after deficit. It is all left to the President, and we have learned by sad experience that we can not trust him to effect any real economy whatsoever.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I do not want any "beer" injected in this speech. If the President wants to, under this provision he can consolidate, and if he does not want to, he can create one of the biggest, highest-priced bureaus in the history of the Government, which will cause much additional expense. When he prepared his special reconstruction bill for us to pass, the limitation that we put on the salaries of \$10,000 he had stricken from the bill, so that he could have appointed high-salaried officials. That is an emergency bureau, and right now, out of that tax fund, they are paying as high as \$16,000 a year salaries.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Oh, I am talking about more serious matters than the gentleman has in mind.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer the amendment which I agreed to offer a few minutes ago.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN of Missouri: Page 35, line 21, after the word "of" strike out the words "the Corps of Engineers, or" and on page 36 strike out all of line 4.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on Title V and all amendments thereto, close in 20 minutes.

The motion was agreed to.

Mr. SWING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWING: Page 34, strike out section 501.

Mr. SWING. Mr. Chairman, I wish to take this opportunity to defend this House and Congress against the charge that it is proceeding without due regard to all possible proper economies, and before I complete my statement I will refer to what Congress is actually doing in the way of cutting the

Budget in amounts that will probably aggregate around \$600,000,000. But, notwithstanding this, I call your attention to the fact that organized propaganda is being put out by big business in an effort to excite the people of the country against Congress and turn them against their own Government.

I hold in my hand three letters, one sent out by the Commercial Investment Trust Co., of New York, another by the Du Pont Co., of Delaware, and another by the Standard Oil Co. of California. Notwithstanding the fact that these companies are located in widely separated parts of the country the letters are identical, figure for figure and word for word. After referring to the breakdown of industry, increased unemployment and want, the letters proceed to say:

Your Senators and Congressmen are in a position to know whether a continuation of this deplorable condition is necessary.

And urge their stockholders to get their friends and their chambers of commerce to immediately write their Congressmen saying, "The future of industry and employment will be affected by your action."

Think of the brazen effrontery of these big corporations trying to transfer from their own to our shoulders the blame for present business and economic conditions, for which the bad practices of big business are solely responsible. This same crowd has all along insisted that nothing must be done to retard or in any way restrict the free concentration of great wealth in the hands of the few, until to-day 90 per cent of the purchasing power is in the hands of those who possess less than 10 per cent of the consuming power, with the resulting breakdown of the normal relation of consumption to production.

Wall Street for years picked the pockets of honest American investors, selling them stocks and bonds at highly inflated and artificially created prices while the international bankers bled this country white of its money, sending billions out of the country in exchange for worthless foreign securities.

And after the inevitable crash came, what have these so-called captains of industry done toward putting their house in order? They have given a most pitiable exhibition of their utter inability to meet a crisis of their own making. And yet, they now undertake to throw the blame on us, in order to protect themselves from criticism for the condition in which the country is.

Furthermore, it is untrue that the future of industry or the relief of unemployment can be assured by any cuts we can make in Government expenses by this bill. On a moment's reflection it is obvious that even if we could suddenly suspend every Federal tax for one full year, it would not, it could not end the depression, because its origin lies deep in our present economic system. The man who promises to restore prosperity by cutting is like the doctor of long ago who promised to restore health by bleeding. Business is anemic, and any further restriction of the circulating medium may prove fatal to the patient.

However, whether wisely or not, the Government expenses are being drastically cut. To begin with, let me say that the President cut the Budget more than \$350,000,000 under last year's expenses. Then this House cut that 5 per cent. Then the Senate cut that 10 per cent, with the result that without regard to what we do with reference to this so-called economy bill, if the present policy of Congress is followed through, and apparently it will be, there will be a cutting by Congress under what the President thought was the lowest amount the Government could get along with, of approximately \$600,000,000.

I resent the effort of big business to try to save its hide from the righteous anger of the public by diverting the indignation of the people from itself and its own misconduct and its own utter failure to put its own house in order, to Congress and the American Government, and trying to make us appear responsible for conditions for which it is solely responsible. It is a strange thing that big business never thought of demanding this extreme econ-

omy in Government appropriations until it first wheedled Congress out of the \$2,000,000,000 which it wanted the Reconstruction Finance Corporation to have available for its own use and benefit. [Applause.]

The letter referred to in my remarks is as follows:

E. I. DU PONT DE NEMOURS & Co.,
Wilmington, Del., April 8, 1932.

To the Stockholders, Employees, and Friends of E. I. du Pont de Nemours & Co.:

The situation at Washington deserves your active and immediate attention. The National Government is spending more money

every year than the previous year, and you are one of those who must eventually pay the bill.

According to the December estimate of the Secretary of the Treasury, the expenditures of the major departments and commissions of the National Government will, for the fiscal year ending June 30, 1932, exceed by \$1,231,100,000 those of 1927, when industrial activity was nearly at its peak and when prices of substantially all commodities and services were considerably above those of to-day.

The following tabulation, prepared from the latest annual report of the Secretary of the Treasury, sets forth a comparison of governmental expenditures by main subdivisions for the fiscal years 1927 and 1932:

[Figures to nearest hundred thousands]

	1927	1932	Amount of increase	Per cent increase
Total expenditures.....	\$3,493,600,000	\$4,482,200,000	\$988,600,000	28
Less interest and sinking fund payments (statutory).....	1,120,500,000	1,018,800,000	103,700,000	19
Less miscellaneous not included in budgets of major departments.....	409,100,000	270,300,000	138,800,000	34
	1,964,000,000	3,195,100,000	1,231,100,000	63
Balance which was expended by major departments, commissions, etc., as follows:†				
Department of Agriculture.....	156,300,000	333,500,000	177,200,000	113
Agricultural marketing fund—net (Farm Board).....		155,000,000	155,000,000	
Post Office deficit.....	27,300,000	195,000,000	167,700,000	614
Treasury Department.....	151,600,000	312,900,000	161,300,000	106
War Department.....	360,800,000	483,700,000	122,900,000	34
Navy Department.....	318,900,000	378,900,000	60,000,000	19
Shipping Board.....	19,000,000	60,800,000	41,800,000	220
Department of Justice.....	24,800,000	53,800,000	29,000,000	117
Department of Commerce.....	30,900,000	54,700,000	23,800,000	77
Other independent offices and commissions.....	35,400,000	57,600,000	22,200,000	63
Legislative establishment.....	19,700,000	32,400,000	12,700,000	64
Department of Labor.....	9,900,000	14,100,000	4,200,000	42
Adjusted-Service-Certificate Fund.....	115,200,000	200,000,000	84,800,000	74
Veterans' Bureau (Veterans' Administration since 1930).....	391,500,000	784,400,000	392,900,000	100
Interior Department.....	302,700,000	78,300,000	124,400,000	74
Total of major departments, commissions, etc.....	1,964,000,000	3,195,100,000	1,231,100,000	63

† Indicates decrease.

† Since the Bureau of Pensions was transferred from the Interior Department to the Veterans' Bureau in 1931, in order to make a fair comparison with 1927 it is necessary to combine the expenditures of the Interior Department and the Veterans' Bureau for each period, which results in an increase in expenditures in those 2 divisions of \$168,500,000 for 1932 as compared with 1927.

To finance these ever-increasing disbursements Congress is now planning huge additional taxes to be paid out of the already shrunken income of prostrate industry and individuals.

Taxes levied upon corporations and other producers increase the cost of their products. Higher costs lessen sales, slow down industry, increase unemployment and want—all of which drive costs still higher and further increase distress.

Taxes upon individuals have a similar effect by curtailing their capacity to purchase the products of industry.

It is lower costs and higher purchasing power which we need to-day perhaps more than ever in our history. Why are industries and individuals, which must reduce their expenditures to meet the depressed conditions, saddled with ever-mounting taxes to cover the ever-increasing expenditures of the National Government? Why should the confidence in the financial security of the Government itself be jeopardized by extravagance? Why does not Congress balance the National Budget by reduction of expenditures through efficient operation and the curtailment of nonessential services and functions?

Since the ways and means of curtailing governmental expenditures are the responsibility of Congress, these questions should be answered by Congress. Your Senators and Congressmen are in a position to know whether the continuance of this deplorable condition is necessary. The future of industry and employment will be affected by your action. If you feel as I do, make your feelings known immediately to your political representatives directly through your friends, your newspapers, your chamber of commerce, your trade associations, or other groups or individuals in a position to impress Congress.

L. DU PONT, President.

Mr. SWING. The comparison of expenditures used in the Du Pont letter has been analyzed and shown to present an unfair picture by the Director of the Budget in the following statement:

BUREAU OF THE BUDGET,
Washington, April 30, 1932.

Hon. PHILIP D. SWING,
House of Representatives.

MY DEAR MR. SWING: In accordance with our telephone conversation this morning I am inclosing herewith copy of the memorandum which I read to you over the phone.

Sincerely yours,

J. CLAWSON ROOP, Director.

MEMORANDUM

APRIL 27, 1932.

In a recent printed circular letter issued from the executive offices of a prominent industrial corporation comparison is made between the Federal expenditures of the fiscal year 1927 and the estimated expenditures of the fiscal year 1932. The letter deducts

from the total expenditures of each of the two years the interest on the public-debt and sinking-fund payments, together with certain miscellaneous items, and arrives at balances expended by the major departments and commissions, etc., of \$1,964,000,000 for 1927 against \$3,195,100,000 for 1932, an increase of \$1,231,100,000.

It is to be noted that the comparison is made between a year in which expenditures were the lowest since 1917 and the estimated expenditures of a peak year when unusual expenditures were being made during the emergency in the interest of agriculture and in aiding employment through an extensive enlargement of the public-works program, increased vessel and aircraft construction, and similar activities involving employment in various departments. For example, in 1927 the expenditures for public works were approximately \$188,000,000; the estimated expenditures for that purpose in 1932 are \$623,000,000, an increase of \$435,000,000. This public-works item includes the Federal-aid highway system in the Department of Agriculture, the enlarged public-building program in the Treasury Department, as well as river and harbor and flood-control work and other nonmilitary construction activities in the War Department.

Other increases over 1927 are: Agricultural marketing fund, \$155,000,000; postal deficiency, \$167,000,000; vessel construction and alteration in the Navy and Shipping Board construction loans, \$75,000,000; aircraft construction and aeronautical activities in the Army, Navy, and Department of Commerce, \$47,000,000; care of veterans, including adjusted-service certificate fund, \$246,000,000; settlement of war claims act, 1928, in the Treasury, \$37,000,000. These increases account for substantially the whole of the increase of \$1,231,100,000 referred to in the letter with the exception of about \$69,000,000, which represents the net amount of increases and decreases scattered throughout the various departments and is largely for such purposes as aids to agriculture, strengthening the activities of the Department of Justice in the detection and prosecution of crimes, in providing better facilities at penal institutions, increased expenses of the Department of Commerce in completing the decennial census of 1930, immigration and naturalization activities in the Department of Labor, etc.

Because of these unusual activities in the fiscal year 1932, a fairer comparison with the 1927 figures is the estimated expenditures for 1933 as contained in the Budget submitted in December last. Using the same items as were used in the comparison of 1932, the increase would be approximately \$772,000,000 as compared with \$1,231,100,000. Looking into the causes of this increase, as is done above in 1932, the increase is accounted for by approximately \$273,000,000 in public works; \$15,000,000, agricultural marketing fund; \$128,000,000, postal deficiency; \$45,000,000, vessel construction and alterations in the Navy and Shipping Board construction loans; \$36,000,000, aircraft construction and aeronautical activities in the Army, Navy, and Department of Commerce; and \$243,000,000, care of veterans, including adjusted-service certificate fund, leaving an increase in 1933 of only \$32,000,000, which

represents net amount of small increases and decreases throughout the departments for purposes similar to those indicated in the miscellaneous increase of \$69,000,000 referred to in the preceding paragraph for 1932.

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the amendment.

The Economy Committee was created to promote economies in the Government. We have under consideration the bill reported by the committee and it consists of 10 titles.

Its important provisions are reduction in the salaries of Federal employees, legislation affecting personnel, miscellaneous provisions for economy, reorganization of executive departments, creation of a Public Works Administration, creation of a Department of National Defense, special consolidations, interdepartmental economies and provisions applicable to veterans. Several of the titles deal with legislation that should not be considered in an economy program. The creation of new offices and any economies resulting are speculative.

ECONOMY

The most important title in the bill and the real opportunity for economy is in the reduction of the salaries of Federal employees. The Federal Budget is approximately \$4,000,000,000. One-half of this Budget is for fixed charges, while more than one-third of it covers the salaries of Federal employees.

Federal salaries aggregate \$1,341,670,730. A 10 per cent reduction will result in a saving of approximately \$135,000,000. It is said that the minimum salaries and compensation should not be reduced. I am interested in those who receive small salaries. The action of the committee respecting small salaries meets my approval. It is to be remembered that the vast majority of those receiving salaries and compensation of \$1,000 and less are furnished their subsistence by the Government. They do not have to pay rent nor do they have to pay for their meals.

Where actual living expenses are paid by the Government there is an opportunity for saving.

Those who oppose salary reductions insist that the buying power of Federal employees will be reduced and that there will be a delay in the return to normal conditions, but the dollar to-day will purchase, generally, as much as \$1.50 would purchase three years ago. The purchasing power of Federal employees will be relatively larger in the event the reductions proposed by the Economy Committee are adopted than the purchasing power of similar employees in private life.

There is much dissatisfaction in the country to-day. People feel that they are called upon to economize personally while there is no reduction in governmental costs. An emergency confronts the Nation. Federal employees have had no reductions in salaries during the past two years, while those in private employment have had reductions from 10 to 50 per cent.

It is said that business and big business will follow the example of the Government. The reply is that business and commerce have already reduced salaries. States have reduced salaries. I recall the anomalous and contradictory instance during the debate of one city that has reduced materially the salaries of its city employees where the mayor is asking Congress to make no reduction of salaries of Federal employees in that city. This is a fair illustration of the fallacy in the arguments of those who oppose reduction of salaries.

Those who oppose reductions in salaries argue that the standard of living will be reduced. If the dollar is worth \$1.50, the standard of living has been raised 50 per cent among Federal employees during the depression. If such argument is permitted to obtain, the way to promote prosperity would be to increase Federal salaries rather than reduce them. The only way to pay salaries is to tax citizens. If those who oppose reduction are sound in their reasoning, the way to promote prosperity would be to increase taxes during the depression.

FALLACY

States and cities have reduced salaries. Salaries have been reduced in private employment. The sound thinking and the clear reasoning of the country approve salary reductions in all walks of life because living expenses have been reduced. The purchasing power of the dollar has increased. Can it be that citizens in all the walks of life, can it be that public officials in municipalities and counties, can it be that governors and members of State legislatures are wrong when they advocate economy, retrenchment, and reductions of salaries? Can it be that everybody in the United States except the Members of Congress opposing reductions is dead wrong in demanding reduction of salaries of Federal employees? Has it come to pass that some Members of Congress alone are infallible in dealing with economic conditions? Have we reached the point where we must disregard the sound thought of the patriotic citizenship of the Nation in this time of stress?

What is the situation with respect to Federal employees? It is a question of a reduction in salaries or the discharge and elimination of tens of thousands of employees. Which is the fairer way, which is the better way, a reduction that affects all or a slash that destroys many?

Moreover, I am always in sympathy with a fair wage and a reasonable salary. The laborer is always worthy of his hire. Federal employees had a right to ask for an increase in their salaries in prosperous times. If they now oppose a decrease in abnormal times, what right would they have to advocate an increase in prosperous times?

We might as well face the facts. Some are opposing reductions in the salaries of Federal employees on the theory that there are other titles in the bill that will effect economies. Of course, there are some other items in the bill that will promote economies, but in many cases the economies are purely speculative. The creation of new departments, the establishment of new staffs, and the appointment of additional officers will not promote economy. At best, I repeat, such economies are doubtful. There will be no real economies unless salaries are reduced.

I resent any insinuation or statement that Federal employees are unpatriotic. I deny that they are unwilling to share in the burdens of the Government. Citizens are being taxed more than ever. Surely Federal employees would be less than patriotic if they decline cheerfully to share in the economies of Government in the greatest of all depressions. [Applause.]

The Classification Board of the Federal Government has made careful investigations. They report that Federal employees receiving salaries of \$2,000 and less are receiving larger compensation than is paid for comparable work in private employment. Personally, I believe in graduated taxes. I believe in graduated reductions in salaries. I should like to see greater percentage of reductions in the larger salaries. I know that all legislation is the result of compromise. I think that all employees should really share in the reduction. However, I am willing to go along with the committee. I know that there must be economies, and I trust that on a record vote the reductions recommended by the Economy Committee will be approved and restored.

DUPLICATION

Many who oppose reduction in Federal salaries advocate the elimination of duplication. What do they mean? Duplication and waste involve one or more departments doing the same or similar work. What does elimination mean? It can mean nothing more nor less than the reduction of the number of Federal employees. Those who oppose overlapping are utterly inconsistent when they oppose reduction. If our sympathy for those who may lose employment is to get the better of our judgment, there will never be any elimination of waste and duplication. Waste and duplication mean unnecessary Federal employees. Let us stop and think. If we mean to match our preachments with our deeds, there is no escape from the conclusion that we must face the issue. Federal salaries must be reduced, and they must be reduced to the point where the taxpayer will be

relieved. I maintain that there should be adjustments, and adjustments with reductions that should aggregate from \$75,000,000 to \$135,000,000.

I come now to the pending title. Much was said a few minutes ago about the meaning of the term "Corps of Engineers" in paragraph (b) of section 502. The language of the section is the language generally used in river and harbor acts. When we speak of the Corps of Engineers of the Army in public works we mean the officers of the Corps of Engineers. The amendment of the gentleman from Missouri [Mr. COCHRAN] clarifies probably but does not change the meaning of the paragraph. The intent and purpose of the committee that originally reported the bill are still clear and evident.

PUBLIC WORKS ADMINISTRATION

Title V provides for the creation of a Public Works Administration. It is the bill reported by the Committee on Expenditures in the Executive Departments. There has been much agitation for this legislation. I am a member of the Committee on Expenditures in the Executive Departments. Two bills were considered by this committee. Extensive hearings were conducted. I believe that as a general policy it is well to play safe in periods of distress. The creation of new departments ordinarily means the expenditure of additional public moneys. We oppose additional bureaus and we denounce additional commissions. We are asked here to create another independent executive department. The better policy is that all administrative work should be under a Cabinet head. Independent establishments are more conducive to extravagance and contribute more to the dangers of bureaucracy than any features of our Government. I think it is a fair conclusion, from the hearings before the Committee on Expenditures, that there are certain improvements that can be made in the construction of public works. There is certain duplication, and there are instances where the overhead can be reduced. Economies can be promoted. I doubt, however, that the creation of an independent establishment without responsibility to any member of the Cabinet is the solution of the problem. However, as a compromise, I am supporting the bill.

The public works of the Federal Government have grown in importance. They have developed particularly in certain departments. There are, however, two departments of the Government that have had supervision of most of the public works. These are the Treasury Department, in which the Supervising Architect constructs public buildings, and the War Department, in which the Corps of Engineers has been charged with the improvement of rivers and harbors, with navigation, and flood control. It is worthy of note in passing that no work by the Supervising Architect and the Corps of Engineers has been tainted with fraud or corruption. When the United States departed from the policy of having public buildings constructed by the Treasury Department, there was extravagance. We recall the fraud and corruption in the administration of veterans' affairs 8 or 10 years ago. It is better to profit by such experiences than to run the risk of extravagance by establishing a new department when there should be economy on every hand. We had better economize than to enlarge with probably increased expenditures.

DUPLICATIONS

The chief duplications in public construction are the public works by the Veterans' Administration, by the Department of Justice, and by the Department of the Interior that could profitably and economically be transferred to the Treasury Department.

There are certain construction works now conducted by other departments that could be transferred to the War Department and executed by the Corps of Engineers. There is no reason why the Bureau of Public Roads, the Geological Survey, and the Reclamation Service should not be transferred to the Corps of Engineers.

Economies in the pending title are somewhat speculative. Independent establishments promote extravagances. They mean additional staffs and additional personnel. They

mean additional organizations. The better plan is to place departments under Cabinet officers.

CORPS OF ENGINEERS

Navigation, rivers and harbors, and flood control are under the supervision of the Corps of Engineers. The Corps of Engineers is an important part of the Army. It is the construction department in time of war. There must be buildings, there must be bridges, and there must be highways for the successful prosecution of war. Under our representative government the officers of the Army should be trained in preparation for war and should be utilized in the Government. Navigation is essential to the winning of war. There must be adequate harbors at all ports and there must be navigation in the main waterways.

In all of its history the Corps of Engineers has been jealous of its good name. Its record is above reproach. It is and has been most efficient. No other agency of the Government now does the work performed by the Corps of Engineers. Why change? There is no duplication. Mere change is not progress. Motion is not advancement. Change is not improvement. I maintain that we should continue to utilize the Corps of Engineers in the services of the Government.

There is training in engineering at West Point. The honor graduates of West Point most frequently enter the Corps of Engineers and take postgraduate courses in the best engineering schools of the United States and other countries. The members of the Corps of Engineers of the United States Army are the most proficient engineers in the construction of river and harbor improvements, in the building of flood-control works, and in the improvement of navigation in the world.

GOVERNMENT ENGINEERS

Congress is repeatedly asked to appropriate large sums of money for internal improvements. There is much propaganda for appropriations for internal improvement. Flood control is a national problem. The advantages are sometimes local and sometimes national. There is the matter of reclamation and irrigation. There is the utilizing of water power of the United States. Selfish interests would obtain control of all the great water-power resources. It is important that the Government have careful and competent engineers, who are impartial, to furnish Congress and the country with accurate engineering facts and statistics in the consideration of all questions of internal improvement. The Corps of Engineers should be preserved for this very purpose.

I am thoroughly familiar with the title for the establishment of a department of public works. Personally, my solution of the problem would be to utilize the agencies of the Government that have had the most experience in public-works construction and to correlate such work so as to prevent duplication and overlapping.

I urge that there should be three engineering and construction organizations in the Government, under the Corps of Engineers, the Supervising Architect of the Treasury, and the Bureau of Yards and Docks in the Navy. The building activities of the Government should center around these three departments. Economy would result by transferring to the War Department, to be supervised by the Corps of Engineers, the Bureau of Public Roads, the water-resource branch of the Geological Survey, the mapping activities of the Geological Survey, the Reclamation Service, the Bureau of Lighthouses, the Office of Public Buildings and Public Parks, the National Capital Park and Planning Commission, the Federal Power Commission, and the Board of Road Commissioners for Alaska.

There should be transferred to the Treasury Department, to be administered by the Supervising Architect of the Treasury, all construction work now performed by the Bureau of Indian Affairs, all construction work now performed by the Department of Justice, and all construction work now performed by the Veterans' Administration. There should be transferred to the Navy Department the United States Coast and Geodetic Survey.

My solution would eliminate all independent departments. It would utilize existing agencies. It would promote economy.

The solution that I propose is embodied in a bill which I have introduced, H. R. 11715, which is substantially the same as the bill H. R. 11178, introduced by the gentleman from Texas [Mr. MANSFIELD].

I am supporting the department of public works construction for the reason that the three essential departments of construction are preserved. The administrator of public works will really take the place of the Supervising Architect of the Treasury. Army and Navy construction will be continued. The integrity of the corps will be preserved.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am heartily in sympathy with this section in the bill to create a public-works administration and to consolidate and coordinate the public works of the United States, but it seems to me there is something else lacking, that this is a mere gesture if we go ahead and establish a public-works department and then do not provide some means to relieve unemployment in the United States. There are 8,000,000 of unemployed; there are many millions more on part time; there are millions more who are scared to death that they are about to lose their jobs. Members of Congress have been deaf, dumb, and blind to these facts that are known to everybody in the United States. We have done practically nothing to relieve human misery which stalks throughout the Nation, yet the Congress refuses to recognize the existence of appalling unemployment and the most acute and distressing economic condition that has ever confronted the American people. We have proposed nothing, and yet every newspaper and every person in the country is talking about unemployment, which is the biggest and most important issue in the United States. All that Congress has done up to date was to donate 40,000,000 bushels of wheat to partially relieve hunger and undernourishment. The American wage earners are not asking for charity or doles; what they want is work and wages and a square deal for labor.

Soviet Russia, with \$200,000,000, or less, in gold, is able to set up an enormous public-works program, but we hesitate to spend a dollar or even to plan in advance for an emergency building program. The policy of the Nation should be to spend millions or billions if necessary for public works but not a cent for doles. We are still the richest nation in the world, yet we have done nothing to even attempt to relieve unemployment, and I propose that the Congress of the United States after three or four months of session should spend a little time to consider ways and means of relieving unemployment in this country.

Mr. McDUFFIE. Will the gentleman yield?

Mr. FISH. I am sure the gentleman does not want to object to discussing the question of unemployment. That comes ahead of the question of economy, or at least should be considered at the same time.

Mr. McDUFFIE. Not at all; but we must get along with this bill.

Mr. FISH. I have only five minutes and part of it is already gone.

Mr. McDUFFIE. Mr. Chairman, I make the point of order the gentleman is not speaking to this section of the bill.

Mr. FISH. I have but five minutes, whereas the gentleman has spoken many times. The gentleman himself might save a little time.

Mr. McDUFFIE. But I spoke to the bill.

Mr. FISH. The gentleman has taken up a lot of time. I can not yield just now.

Mr. McDUFFIE. Mr. Chairman, I make the point of order the gentleman is not discussing the section.

Mr. FISH. I am discussing the question of public works.

The CHAIRMAN. The gentleman from New York will proceed in order.

Mr. FISH. Mr. Chairman, I will proceed in order. I am discussing the question of public works. That is what

is needed in the United States, not merely an administration of public works, but public works themselves; and I propose to offer the following resolution. It will take but one minute to read it, and I hope no one will object. I am going to ask the Rules Committee for immediate consideration of it, and not only ask, but demand, consideration in behalf of 8,000,000 unemployed Americans and of many millions of others who are interested, the American Federation of Labor, the veterans' organizations, and many civic, fraternal, and church groups, and of most of the women's organizations, as private and municipal relief is almost exhausted and we must plan immediately for a 2-year public-works program, backed by a bond issue of \$1,000,000,000. Such a plan must not permit the expenditure of a cent on public works that are not needed or will create a further overproduction in any commodities in which there is already an overproduction. I would appreciate support from all those who are interested in a constructive public-works program to relieve unemployment, to help in securing speedy and favorable action on the following resolution:

Resolved, That the Speaker of the House of Representatives is hereby authorized to appoint a special committee of five Members of the House, whose duty it shall be to immediately survey needed public works, such as post office and other Federal buildings, construction and maintenance of highways, and improvement of rivers and harbors, and Federal projects that will not create further overproduction of basic commodities, with authority to report to the House at any time with recommendations for a 2-year plan for emergency construction of public works throughout the United States to relieve unemployment. Said committee shall submit an estimate of the cost of each project contained in its recommendations, an estimate of the number of workmen to be employed on each project, and the ways and means of financing the projects recommended in its report.

Resolved further, That the special committee shall have the power to investigate the advantages of the 40-hour work week, or fewer hours of labor per day on public works, and recommend a definite plan to relieve the present distressing economic conditions by providing for the employment of a maximum number of unemployed American workmen on Federal works.

[Here the gavel fell.]

Mr. LOZIER. Mr. Chairman, neither the President, Members of the House and Senate, nor any other officers and employees of the Government have a vested right or indefeasible title to the office or position he or she holds. They are all mere agents, employees, attorneys, in fact, or, if you please, servants of the United States Government. They hold their positions at the will of the Government and people. The Government has the legal and moral right to fix their wages, which I am sure will always be liberal and reasonable and such as to justify faithful and efficient service.

We have on the Government pay rolls more than 1,000,000 men and women, or 1 person in every 125 of our population is drawing a salary from the Government. These salaries aggregate \$1,300,000,000. Excluding the personnel of the Army, Navy, and Marine Corps, the civil list contains the names of approximately 800,000 persons, whose annual salaries exceed \$1,000,000,000. The pending economy bill, if enacted in the form in which it was introduced, will effect the saving of at least \$200,000,000 in our Government expenses. After exempting the first \$1,000, the bill would save \$67,000,000 in salaries. I voted against the Britten amendment to exempt salaries of \$2,500 or less because that amendment cuts the life out of the bill, as 74 per cent of all Federal salaries are under \$2,500 annually. The Britten amendment costs us \$55,000,000, as it reduces the salary savings from \$67,000,000 to \$12,000,000. So, if you are going to exempt all salaries of \$2,500 and under, you might as well exempt the others.

In voting to exempt only the first \$1,000 of salary, I think I was fair, not only to the public but to the Federal employees as well, as under that exemption the reduction would not be burdensome to anyone, and certainly every Government employee wants to contribute something to relieve the present unprecedented emergency. Everybody must help in this crisis.

Congressional salaries and salaries of Government employees in excess of \$1,000 should and must be reduced all along the line during this present emergency period. Poor

as I am, I am glad to take a reduction in my salary, although I strive to earn every dollar of it; and I believe every other patriotic person in the Government service will cheerfully accept such reductions as may be just and proper under existing unprecedented conditions.

The proposed reduction is not burdensome in the low-salaried positions, in some of which the present salary is not excessive, but those in higher-salaried positions should be and are called upon to make a more substantial contribution. As a sincere friend of the Federal employees, and as one who has in season and out of season championed the cause of fair wages, proper working conditions, and modern standards of living, I make bold to say that the present and future interests and financial welfare of Federal employees will be promoted by the willingness and cheerfulness on their part to contribute their mite to pull Uncle Sam out of the quicksands of insolvency. As they have shared in the Nation's prosperity, I am sure they want a part in the necessary and all-important task of relieving its present financial distress.

The Government has been good to its employees. Many of the present salaries would not be excessive if business and economic conditions were normal, but under present calamitous conditions Government employees are better paid and have much more desirable positions than those who perform similar services in the commercial, industrial, and professional fields. Then again, these Federal positions are, as a rule, permanent, with assurance of liberal retirement benefits when age separates them from the service. Governments, like individuals, enjoy periods of prosperity and experience times of depression. After eating the white cake of prosperity for years, we should be willing occasionally to take a slice of the black bread of adversity, especially if our paymaster, the United States Government, is in economic distress. By cheerfully submitting to a moderate reduction in salaries during this period of national emergency, the Federal employees will not only do the just and proper thing, but they will thereby create a spirit of good will on the part of the public the future value of which to the employees can not be computed in dollars and cents.

Because of a bankrupt Treasury and the ever-increasing burden of taxation, there is a widespread demand for a substantial reduction in Government salaries. The masses of the American people believe that the million men and women who are on the Government pay rolls should make some contribution toward balancing our National Budget. If Government employees are wise, they will not disregard this condition of the public mind. The will of the people is the supreme law. Members of Congress, Government officials, and Government employees are agents or servants of the people. People pay the taxes out of which Government salaries are paid. And the people have not only legal but a moral right to regulate the salaries they pay their agents and employees.

Obviously the interest and welfare of Federal employees will be promoted by working in harmony with, rather than against, the will of the people. By the terms of the bill the proposed reduction is effective only for the year beginning July 1, 1932, and ending June 30, 1933. If the employees cheerfully accept the proposed cut, which is not unreasonable, they will by such attitude prevent a permanent, more drastic, radical and perhaps unreasonable reduction of their salaries.

I am convinced that Federal employees are making a very serious mistake and jeopardizing their future interests by opposing any and all reductions in Federal salaries. I believe I understand the sentiment of the American people on this question, and I fear an unwillingness on the part of the Government employees to contribute anything toward balancing the Budget and helping Uncle Sam get on his feet again, will awaken a spirit of resentment among the masses which will sooner or later compel a more radical and drastic reduction in Federal salaries. If the oak did not ever and anon bend to the winds that blow, it would be broken or uprooted by the tempest. We can not with safety disregard

or ignore public sentiment on this or any other question, especially in periods of national emergency and peril such as now confront us.

The interests and financial welfare of all Government employees are inseparably bound up with the interests and welfare of the Government they serve. Federal employees are members of Uncle Sam's family and household. He has nurtured them, given them permanent employment under favorable working conditions, paid them, not princely but good salaries, granted liberal annual and sick leave, and provided generous retirement privileges. Now the head of the household is in financial distress. It is but natural that he should ask the members of his family, not to bear all of his burden, but to bear a part and be indulgent with him until he can get his financial affairs balanced. If those who sit at his table and enjoy his bounty will not respond to his appeal, then to whom can he turn?

We have built up in America in the last 100 years a bureaucratic system that not only subverts the fundamental principles and conceptions of those who established our constitutional Government, but, in the language of John C. Calhoun, a system that has grown so powerful that it arrogantly and contemptuously defies the Government that created it. [Applause.] Here in Washington, a power has risen up in the Government greater than the people themselves, consisting of many, and various, and powerful groups, combined into one mass by the cohesive power of self-interest. Congress has been in a state of siege since we began consideration of the economy bill.

We witnessed a few nights ago a lamentable spectacle in this Chamber when the galleries were filled with officers and employees of the Government, outpourings from the departments in Washington, members of Uncle Sam's household, beneficiaries of his bounty, by their presence and applause dominating, overawing, and insidiously influencing the action of this House. I gazed into that sea of faces and wondered if we had reached the point in our national life when Government officials and Government employees had become so numerous and powerful that they could dominate legislation and dictate their own salaries. As I looked on that scene, I was reminded of the time—and my illustration is not far-fetched—when during the decadent period of ancient Rome the officeholding classes and the Prætorian Guard raised and deposed emperors at will, and put the royal purple and scepter on the block, and auctioned off the Empire to the highest bidder.

I repeat that I am a sincere friend of the Government employees. I would deprive them of no fair and just compensation, but their salaries are not sacred in this period of national emergency. They are making a fatal mistake and committing an irretrievable blunder when they place themselves in the attitude of hostility against a fair and reasonable reduction in public pay rolls. [Applause.]

Federal employees are members of Uncle Sam's family circle. He has furnished them with what are practically life jobs and has paid many of them large salaries and all of them good salaries. He has certainly been a kind, indulgent, and agreeable master. Now Uncle Sam is in financial distress. He is unable to balance his Budget. For the first time in 150 years he has appealed to his employees to help him out of a bad situation.

Like the head of any other family, he comes to the members of his household, to his working force, and respectfully requests that each and all contribute something toward replenishing his bankrupt Treasury. Unless his employees heed his request, he can not continue to give them employment and pay their wages. He does not ask them to bear all of his burdens, or to make up the entire deficit; but he does what he has a right to do—he asks the beneficiaries of his generosity and the members of his own household to submit to a fair and reasonable temporary reduction in their salaries. [Applause.]

Because I am a friend of the Federal employees, I speak frankly, and I protest against their following an unwise and self-serving leadership, making the blunder of opposing a reasonable reduction in their salaries for the ap-

proaching fiscal year. They will prejudice their case if they place themselves in the attitude of hostility against a reasonable reduction in their salaries. Such action on their part defies public sentiment and will create a spirit of resentment among the masses of the overburdened American people, which I fear will result in the election of the next Congress under a mandate, not only to reduce salaries but to reduce them in a more drastic, radical, and permanent manner than is proposed under the present bill. [Applause.]

I know the dangers that now threaten certain groups of Federal employees. I am trying to protect them from a menace more serious than a slight temporary decrease in salary. I am frank with them, because I am their friend and have their interests at heart. Their true friends will fight their battles when they are right, and frankly tell them when they are wrong or when they are pursuing a policy that will in the end injure them and breed serious future troubles. The time will come—and it is not far distant—when the Federal employees will realize that their true friends are those who are trying to prevent them from doing an unwise thing, something that will tremendously injure them in the future. For the small amount involved in this temporary reduction the employees can not afford to create a spirit of lasting antagonism on the part of the Government and people that will embarrass and plague them for years. If there ever was a time when Federal employees should not lose their heads but should go along with the Government and people, that time is now.

I can not state too strongly that in this period of national emergency, Federal employees who oppose all salary reductions are standing in their own light, and will thereby create conditions that will ultimately result in more drastic reductions, and perhaps revolutionary changes in methods of Government service. If they defeat the salary reduction program, they will make it the one big issue in the coming campaign. I know of no class of our people who have more to gain by balancing Uncle Sam's Budget than the Federal employees. I have confidence in them and believe that on second and serious thought they will cheerfully contribute their part toward placing their employer, the United States Government, on a basis where he can continue to give them employment at good wages. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Texas: On page 34, line 6, strike out Title V.

The question was taken; and on a division (demanded by Mr. JOHNSON of Texas) there were—ayes 20, noes 91.

So the amendment was rejected.

Mr. JONES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. To what title?

Mr. JONES. A new title, Title V (a).

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I have an amendment of that kind pending, which I offered on yesterday.

The CHAIRMAN. The gentleman, of course, knows it is not pending when he did not offer it. The Clerk will report the amendment offered by the gentleman from Texas [Mr. JONES].

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 43, line 2, after the word "effect," insert a new title to be known as Title V(a) as follows:

"The President is authorized to abolish the United States Shipping Board Merchant Fleet Corporation, effective June 30, 1932, and to transfer its activities, powers, and operating funds to the United States Shipping Board except \$1,938,240 of such operating funds, which shall be covered into the Treasury as miscellaneous receipts.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DOUGLAS of Arizona. The substance of the amendment offered by the gentleman from Texas has already been acted upon by the committee.

Mr. JONES. Mr. Chairman, I desire to be heard on the point of order if there is any doubt about it.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the point of order.

Mr. JONES. Mr. Chairman, the amendment that was offered yesterday provided for completely abolishing the United States Shipping Board Merchant Fleet Corporation. Under this title—Title V—the President is authorized by executive order to transfer to the Administration of Public Works and consolidate and coordinate therein the whole or any part of all bureaus, agencies, activities, and services of the Government. This amendment simply authorizes the President to abolish the United States Shipping Board and the Federal Trade Commission. The amendment covers an authorization for the abolishment of the United States Shipping Board Merchant Fleet Corporation, effective July 1, 1932. The former amendment would have abolished it, as a matter of law. This amendment simply authorizes the President to abolish it and it follows the title as a new title, which authorizes the President to consolidate in whole or in part certain bureaus. Then it is followed—the whole amendment was not read—by subdivision (b) which authorizes the President to abolish the Federal Trade Commission effective June 30, 1932, and to transfer the unexpended funds of that commission to the Treasury as miscellaneous receipts.

As I understood the point of order, it was simply leveled at the fact that the same amendment was offered on yesterday. If there is any further point of order under consideration by the Chair, I would be willing to discuss that.

Mr. CLARKE of New York. Will the gentleman permit an inquiry?

Mr. JONES. Yes.

Mr. CLARKE of New York. What is the difference in practical accomplishment in getting rid of the vermiform appendix by the gentleman's amendment and the other provision?

Mr. JONES. I do not care how it is done, but there is a vast difference from a parliamentary standpoint in abolishing a bureau or department as a matter of law and authorizing the President to do the same thing.

Mr. CLARKE of New York. What is the advance in the gentleman's proposition?

Mr. JONES. It authorizes the President to absolutely abolish the board; and would that the will of the Congress be it should be abolished. It gives an expression of sentiment on the part of the House that the United States Merchant Fleet Corporation should be abolished as well as the Federal Trade Commission, the activities of the Merchant Fleet Corporation being transferred to the United States Shipping Board, which is another branch of the same thing. Why should there be a shipping board and a fleet corporation, when both have to do with operating a fleet? Why have two bureaus, two sets of officers, two sets of lawyers? Oh, I understand it is claimed that one shapes the general policies and one operates the fleet. But why have them run from one bureau to another? This amendment provides for one directing head of the entire project, with but one organization. This is strictly in line with an economy bill. It is in accord with the general purposes both of the preceding title and the entire bill.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard on the point of order?

Mr. McDUFFIE. Yes, Mr. Chairman.

Mr. Chairman, in the first place, we have delegated to the President under a former title the right to make many changes and consolidations. I think the gentleman from Texas will agree with me that as to any board or bureau or commission which has been set up by an act of Congress the President could only recommend, and could not abolish,

and it will have to be abolished by affirmative action of the Congress itself. We have authorized the President already to take such steps as he may deem necessary.

The committee went into the question of the Shipping Board and the Merchant Fleet Corporation. I think the committee has been a little extreme, if we may use that term, when it comes to the Shipping Board. We have cut their number from seven to four, we have authorized and directed practically certain economies in their personnel, and with respect to their pay roll, and I think we have treated this matter as well, and have gone as far, as is practicable at this particular time.

Mr. JONES. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. JONES. I want to suggest to the gentleman that the former authorization, which the gentleman points out, simply authorized the President to make recommendations to the Congress, and they do not become effective at once but are subject to the veto power of the Congress. This amendment gives him absolute authority to do away with or abolish these activities, and with respect to the point of order, I think the gentleman has been discussing the merits rather than the point of order.

Mr. McDUFFIE. May I ask the gentleman from Texas whether he thinks the Congress can delegate such authority?

Mr. JONES. They can authorize the discontinuance of any agency of the Government. I do not regard this as delegation of legislative authority.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule.

The gentleman from Texas, when Title III was under consideration, offered this same amendment in a different form to Title III. A point of order was made against it at the time by the gentleman from South Dakota [Mr. WILLIAMSON], and the Chair overruled the point of order and held that it was germane to Title III. The Chair does not think it is germane as a new title or as a new section, and therefore sustains the point of order.

Mr. JONES. Mr. Chairman, I offer the second part of the amendment as a new title.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 43, line 2, after the word "effect" insert a new title to be known as Title V (a) as follows:

"The President is authorized to abolish the Federal Trade Commission effective June 30, 1932, and when so abolished its unexpended funds shall be covered into the Treasury as miscellaneous receipts."

Mr. STAFFORD. Mr. Chairman, I make the point of order that the amendment is not germane to this part of the bill. It should have been offered as an amendment to Title III or IV. As the bill is framed, the House considered the subject of the Shipping Board under Title III, and under Title IV we considered certain authority to be vested in the President as to consolidation of governmental bureaus.

It is fundamental parliamentary law that the object of parliamentary law is expedition in the consideration of legislation, and to center the attention of the House or the parliamentary body upon the subject under consideration. If the rule is to be established that we are to be privileged at any time to revert to some subject, we get nowhere, make no progress, and do not save time. I insist on the point it is not germane and that it is too late for the amendment to be offered now.

Mr. JONES. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. JONES. I want to call the attention of the Chairman to the fact that in section 502—

The President is authorized by Executive order to transfer to the Public Works Administration and to consolidate and coordinate therein, the whole or any part of all bureaus, agencies, offices, activities, and services, whether now existing in any executive department, independent establishment, or as an independent activity.

A few days ago, when an amendment was offered to abolish the Farm Board, the ruling was to the effect that when the law was touched in any way an amendment was in order which abolished the activity or which transferred it to another department of the Government.

This is offered as a new title, not merely to a new section but a new title. If it is in order as to almost any part of the bill, it can be offered at the end as a new title, if it is germane to a preceding title.

The CHAIRMAN. Title III provides for certain miscellaneous provisions, and section 502 in Title IV authorizes a consolidation of certain public works. The amendment of the gentleman from Texas now proposes in the form of a new title to abolish the Federal Trade Commission. Certainly the Chair can not hold it germane as a new section. The Chair thinks it would have been germane if offered under the miscellaneous provision in Title III, and the Chair therefore sustains the point of order.

Mr. JONES. Mr. Chairman, I ask unanimous consent to return to Title III. The Chair understands that the debate had been closed on Title III before I could get recognition. Without an explanation the House would not adopt an amendment. Otherwise I should have offered it at the place suggested by the Chair.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WILLIAMSON and Mr. STAFFORD objected.

Mr. MCCLINTIC of Oklahoma. Mr. Chairman, I offer the following amendment as a new title:

Page 43, after line 2, insert:

"TITLE 5A. BOARD OF AFFAIRS

"That for the purpose of preventing waste and duplication in making purchases for the United States, there is hereby created a centralized purchasing bureau which shall be known as the board of affairs. Such board shall consist of three members to be selected by the President: *Provided*, That the President is hereby authorized to fill any vacancy that may occur.

"That such board shall have complete jurisdiction in making purchases for the executive departments of the Government, except articles that would be classed as ordnance affecting the War, Naval, and Coast Guard activities, and supplies for the bureau of public works.

"That each department of the Government shall make inventories every 30 days of all supplies coming under the jurisdiction of the board of affairs, and it shall be the duty of such board to standardize, consolidate, coordinate, and to distribute such supplies so as to prevent duplication in future buying.

"That the board shall prescribe forms, make rules and regulations, and require requisitions to be filled out by the proper officials of each department before making such purchases as may be desired, and when such requisitions are made the same shall state the amount of such article on hand, if any.

"That no purchases amounting to more than \$500 shall be made without asking for sealed bids, and the lowest responsible bidder complying with all regulations and specifications shall be giving the award: *Provided*, That in the case of an emergency the President of the United States may suspend for any given period any or all of the provisions of this act.

"That the President is hereby authorized to transfer from any department of the Government such employees as may be necessary to carry on the business of this bureau, without changing their status with respect to pay.

"That each member of the board shall execute a surety bond in such sum as may be directed by the President, for the purpose of taking care of any irregularity that might occur.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order on the ground that the proposed amendment is not germane, in that it creates an additional bureau and a charge on the Treasury of the United States.

Mr. MCCLINTIC of Oklahoma. Mr. Chairman, on page 34, under title of "Public Works," the language provides for the consolidation and coordination of the whole or parts of all bureaus, agencies, offices, activities, and services or bureaus necessary to bring about economy.

This amendment does not provide for the employment of a single additional person, but it does provide for a combined agency of the different bureaus, that they shall be consolidated under one bureau, and that that bureau shall be under the jurisdiction of the President.

This amendment will not cause an increased expense to the Government by a single penny. It will not cause a single bureau employee to be put on the pay roll, and it

will prevent 35 independent establishments and 124 bureaus from buying the same articles through independent bureaus. There is no excuse on earth for 124 different bureaus making a requisition to buy articles necessary to carry on the Government. It does seem to me that this House ought to be willing to consolidate wherever it would result in economy.

The CHAIRMAN. The Chair thinks the amendment offered by the gentleman from Oklahoma is germane, and therefore overrules the point of order. The question is on agreeing to the amendment of the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. HARLAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARLAN. In this title and throughout the bill, there are provisions creating new offices, reducing salaries, and establishing salaries. Will these new provisions for new salaries and reductions, and so forth, be subject to the general provisions that we provided for in Title I, or are they independent of that?

The CHAIRMAN. The Chair does not think that is a parliamentary inquiry, and frankly, the Chair is unable to inform the gentleman even if it were.

Mr. HARLAN. Will the committee agree to an amendment providing specifically that the Economy Committee on salaries shall apply to the salaries created in this bill?

Mr. McDUFFIE. We will take that matter up after we are through with the bill. We will take it up when we get to it.

The Clerk read as follows:

TITLE VI—NATIONAL DEFENSE REORGANIZATION ACT

SHORT TITLE

SEC. 601. This title may be cited as the "national defense reorganization act."

ESTABLISHMENT OF DEPARTMENT OF NATIONAL DEFENSE

SEC. 602. (a) There is hereby established at the seat of government an executive department to be known as the Department of National Defense, at the head of which shall be a Secretary of National Defense, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive the same compensation as other heads of executive departments.

(b) There shall be in the department of national defense three assistant secretaries, to be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as may be required by law or prescribed by the Secretary of National Defense. The assistant secretaries shall receive compensation at the rate of \$10,000 per annum. The assistant secretaries shall be known, respectively, as the Assistant Secretary for the Army, the Assistant Secretary for the Navy, and the Assistant Secretary for Aviation.

TRANSFER OF WAR AND NAVY DEPARTMENTS, AND COORDINATION OF ACTIVITIES

SEC. 603. (a) The Department of War and the Department of the Navy and all that pertains thereto are transferred to the department of national defense, and the Department of War and the Department of the Navy shall cease to exist as separate executive departments.

(b) The offices of Secretary of War, Secretary of the Navy, Assistant Secretaries of War, and Assistant Secretaries of the Navy are abolished, and the functions, powers, and duties vested in and imposed upon such officers are hereby vested in and imposed upon the Secretary of National Defense.

SEC. 604. The Secretary of National Defense is authorized—

(a) For the purpose of perfecting the organization and coordinating the activities of the Department of National Defense (1) to consolidate, eliminate, or redistribute the functions of offices, bureaus, or agencies, to create new ones, and fix the powers, duties, and functions of their executive heads, and (2) to take such other action, not inconsistent with the provisions of this title, as he may deem necessary;

(b) To consolidate or to coordinate the activities of the Air Corps of the Army and aviation units, services, and organizations of the Navy and Marine Corps; and

(c) To recommend to Congress from time to time such legislation as he deems necessary to perfect such organization and coordination of the activities of the Department of National Defense, or of such consolidation or coordination of the Air Corps of the Army and aviation units, services, and organizations of the Navy and Marine Corps.

MISCELLANEOUS

SEC. 605. (a) The Secretary of National Defense shall cause a seal of office to be made for the department, of such device as the President shall approve, and judicial notice shall be taken thereof.

(b) The administration of the Department of National Defense shall be governed by the laws in force with respect to the Depart-

ment of War and the Department of the Navy at the time of their transfer under this title, in so far as such laws are not inconsistent with the provisions of this title and are not inapplicable.

(c) All orders, rules, regulations, and permits or other privileges made, issued, or granted by or in respect of the Department of War or the Department of the Navy, and in effect at the time of the transfer of such departments under this title, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed.

(d) All unexpended appropriations in respect of the Department of War or the Department of the Navy shall be available for expenditure by the Department of National Defense and shall be treated as if the department had been originally named in the laws making the appropriations.

TIME OF TAKING EFFECT

SEC. 606. This title shall take effect upon the enactment of this act, except that sections 603 to 605, inclusive, shall take effect when the Secretary of National Defense and the assistant secretaries of national defense have taken office.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate upon Title VI and all amendments thereto close in one hour.

Mr. BYRNS. Mr. Chairman, this title, in my judgment—and I am not going to argue it now—is the most important from an economic standpoint in the bill. Not one word of discussion has been had of it. It does seem to me that this House can not afford to put itself in the attitude before the country of undertaking to limit debate upon this title to one hour. I think there should be at least three hours upon this matter. If gentlemen are afraid to have this put before the country, they can object, but I do insist that we ought to proceed in an orderly way and not limit this to an hour.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order that my motion is not debatable.

Mr. STAFFORD. Mr. Chairman, I make the point of order that the motion the gentleman makes is not in order, because there has been no discussion of the title.

The CHAIRMAN. The Chair agrees with the gentleman from Wisconsin.

Mr. SNELL. Mr. Chairman, I suggest a compromise of two hours.

Mr. VINSON of Georgia. One hour is sufficient.

Mr. McDUFFIE. Mr. Chairman, with the permission of the gentleman from Arizona I ask unanimous consent that we have two hours' debate upon this title. Several gentlemen have made a study of the matter. It is a radical change and I think the House should have some opportunity for discussion. I regret to see the House utilize two hours upon it, but I think it is nothing but fair and I believe we will make time if we agree to two hours. Then at the end of that two hours we will endeavor to cut off debate.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that all debate on this title and all amendments thereto close in two hours. Is there objection?

Mr. VINSON of Georgia. Reserving the right to object, if this request is granted, will the two hours be consumed under the 5-minute rule?

The CHAIRMAN. That is the only way that they could be consumed, and it is within the province of the Chair as to whom he will recognize. Is there objection to the request of the gentleman from Alabama?

Mr. BYRNS. I submit that by unanimous consent we can give a Member additional time if it is wished.

The CHAIRMAN. The committee is operating under the rule adopted for the consideration of the bill. The request of the gentleman from Alabama, if granted, would carry two hours' discussion under the 5-minute rule, with recognition by the Chair.

Mr. BYRNS. Do I understand that no Member on the floor of the House will have more than five minutes to discuss an important matter like this?

The CHAIRMAN. Except by unanimous consent.

Mr. SNELL. And if a man has a message, I am sure that the House will give him more time.

Mr. McDUFFIE. Mr. Chairman, then I amend my former request and ask unanimous consent that the gentleman from Tennessee may have 30 minutes within which to explain the proposition, as he is the author of this particular provision.

The CHAIRMAN. Does the gentleman mean 30 minutes within the 2-hour period?

Mr. McDUFFIE. Yes.

Mr. JOHNSON of Washington. I object.

Mr. BANKHEAD. Do I understand that the gentleman from Washington objects to the 30-minute proposition?

Mr. JOHNSON of Washington. I object to the 30-minute proposition.

The CHAIRMAN. Then the Chair will put the original request. The gentleman from Alabama asks unanimous consent that all debate upon this title and all amendments thereto be closed in two hours. Is there objection?

There was no objection.

The CHAIRMAN. Before we proceed with the discussion and amendments to this title, the Chair has examined the title, and he doubts very much if it is divisible or could be affected by amendment. Therefore, he will recognize first the gentleman from Georgia [Mr. MARTIN], who will offer an amendment to strike out the title.

Mr. MARTIN of Oregon. Mr. Chairman, I offer the following amendment, which I send to the desk.

Mr. WHITTINGTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITTINGTON. I respectfully submit a perfecting amendment would be in order on this proposition.

The CHAIRMAN. The Chair did not announce that perfecting amendments would not be in order. The Chair simply stated he would recognize the gentleman from Oregon [Mr. MARTIN] to strike out the section.

Mr. RAMSEYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAMSEYER. Two hours have been granted for debate. If during the two hours perfecting amendments are offered, will they be voted on before the two hours are consumed, or may we understand that perfecting amendments will not be voted on until debate has closed?

The CHAIRMAN. As soon as the two hours is consumed, then a vote will be taken on all amendments that have been offered to the title. Of course, there will be no further discussion.

Mr. ARENTZ. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon may proceed for 15 minutes.

Mr. DOUGLAS of Arizona. Reserving the right to object, Mr. Chairman, I shall not object if the gentleman from Tennessee, who is one of the fluent advocates of this title, be given 30 minutes in which to present his side of the case.

The CHAIRMAN. The Chair will recognize only one gentleman at a time.

Is there objection to the request of the gentleman from Nevada?

Mr. SNELL. Mr. Chairman, I object for the present, because I did not understand what it was.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oregon.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Oregon: Beginning on page 43, line 3, strike out all of Title VI.

Mr. PARKER of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon be permitted to proceed for 15 minutes, and that the gentleman from Tennessee [Mr. BYRNS] be permitted to proceed for 15 minutes in reply.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The gentleman from Oregon [Mr. MARTIN] is recognized for 15 minutes.

Mr. MARTIN of Oregon. Mr. Chairman, I feel that I have some authority to speak on the subject of national defense. When the distinguished Senator from my State, the late Hon. George E. Chamberlain, was sponsoring the wonderful national defense act of 1916, the only real constructive mili-

tary legislation we had had by Congress since 1798, I was in close association with him, more or less. During the administration of that great Secretary of War, the late John Weeks—God bless his memory—I was in the War Department, part of the time as Assistant Chief of Staff, so that I claim a right to be very familiar with this subject.

This section of the bill is presented as a measure of efficiency and economy. I tell you solemnly, from my experience, that it is one of the most deadly blows to efficiency that could be struck at the national defense. [Applause.] As a measure of economy, it is a measure not of economy but of extravagance. I tell you frankly that it is the greatest piece of humbuggery in this bill. [Applause.] If any Member of this House believes that this grave matter has received that attention from the Economy Committee sufficient to merit a vote, then I say to that Member that he either fails to grasp the significance of the national defense and its organization, or he is willing to follow the dictates of expediency.

Early in this session the chairman of the Committee on Appropriations introduced the part of this bill which I have moved to strike out. It was referred to the Committee on Expenditures in the Executive Departments, of which I am a member. It was a queer place to have sent it, but it was sent there.

My distinguished colleague appeared before that committee and made the statement that it would add to the efficiency of the Army and the Navy and would save \$100,000,000. Our committee met for three months on that question, and because of the prominence and in view of the statement of the gentleman we gave it most careful consideration. The committee was anxious to be convinced. I think all members of the committee were anxious to be convinced that it would save \$100,000,000 and would add to the efficiency of the Army and the Navy, but from the beginning of those hearings to the end there was not a scintilla of evidence that it would save \$100,000,000 or that it would add to the efficiency of the Army or the Navy. On the other hand, there came before us men who should know about those things. If we were discussing a merger of this House and the Senate, who would we turn to? We would go to the Vice President and the Speaker of this House and the old Members of long experience. It might be asked why we did not bring some of us youngsters in. We youngsters would not attempt to tell you what would be the effect of a merger. We brought before that committee both the Secretary of War and the Secretary of the Navy. We brought before that committee the Chief of Naval Operations, the Chief of Staff, the Chiefs of the Air Service and Supply, and we had a most enlightening letter from the Chief of Staff of the Army. What was that testimony? That testimony universally was that this measure would be a fatal blow to the efficiency of the Army and would be extravagance. Still we waited and waited for the protagonists of the \$100,000,000 saving and efficiency to appear. We closed those hearings, and we laid this outrageous bill on the table by a vote of 12 to 8, a nonpartisan vote; and if one member of the committee who was absent, the distinguished gentleman from Pennsylvania [Mr. CAMPBELL], had been able to be present, the vote would have been 13 to 8. That shows how the committee was convinced on this question.

Mr. COLTON. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. COLTON. Is it not a fact that there was not any evidence brought before the committee which showed any specific saving?

Mr. MARTIN of Oregon. Not a scintilla, and in my opinion it could not be done.

Four times during the past decade has this matter been the subject of extensive investigations by committees of national importance. Not one has recommended that this Government set up the air services as an independent body coordinate with the Army or the Navy. Only one has recommended that there be created a department of national defense, and that committee's concern was primarily that of the proper organization for our air services. The scope

of the past investigations have been broad. To disregard their conclusions is a hasty effort to meet political demands in the face of the probable dire circumstances is beyond my comprehension.

By favoring this bill we are fostering a severe blow to the morale of our national-defense forces. The spirit of the Army and of the Navy, built up to its present high state during the past century and a quarter of our Nation's history, is of utmost value to the Nation. To rip it asunder by creating a chaos in their organization, particularly now when national defense again assumes an intimate aspect on the stage of world affairs, would be a distinct contribution to military impotence. Impair the morale of the Army and the Navy, which is the foundation of their efficiency in the preparation for war and in the conduct of war, and you have done an irreparable damage, one that can not be measured in money or other material things.

The saving of money is secondary in the matter of national defense. Efficiency in war is what we demand of the Army and the Navy. This proper relationship of efficiency and economy was clearly enunciated before the Committee on Expenditures in the Executive Departments. Yet some Members of this House appear to be in a mood to disregard the testimony of witnesses who were in high places in the World War and who to-day hold the most important positions in the Army and the Navy. These witnesses were emphatic in their statements that efficiency of the Army, the Navy, or the air forces would not be served by the propositions of this bill; they are equally as firm in their convictions that the efficiency would suffer.

Economy is secondary. Let us view the proposal from that angle. No line of this bill carries any concrete proposal for economy. It has been claimed that this consolidation will yield an economy of as much as \$100,000,000. This was the figure publicly stated by Chairman BYRNS. Why, if such economies are possible, are they not outlined in this measure? The answer is clear—because there is no such economy in sight! If any single item had presented itself to the proponents of this bill which would concretely show a saving, it is unquestionable that they would have inserted it into its framework.

This bill places the entire subject of a possible economy in the hands of the President of the United States. He has clearly stated in his message to Congress that he does not favor such an amalgamation. His Secretary of War reiterated that no economy is possible. His Secretary of the Navy has testified to the same effect. The Chief of Staff of the Army, the Chief of Naval Operations, and other professional men have given their expert opinion to this effect. How absurd, when the entire executive branch of the Government says that no economies are possible, that this bill should place in the hands of the President the carrying out of such economies without enumerating their possibility in detail! This anomaly is answerable by the simple fact that no such economies are possible. This bill will eventually be an extravagance and not an economy.

Mr. GARBER. Will the gentleman yield for a question?

Mr. MARTIN of Oregon. I yield.

Mr. GARBER. The gentleman is a recognized authority upon military organization. Did the hearings disclose any military authority supporting the consolidation?

Mr. MARTIN of Oregon. Not one whom I would consider a military authority; and since the dawn of history you can find no responsible soldier or sailor who would recommend this thing.

The only real authority they ventured to claim was Hunter Liggett. So I telegraphed that great general in San Francisco, as follows:

Are you in favor of a Department of National Defense or have you ever expressed favor of a united Army and Navy under one department?

From General Liggett I received this telegram in reply:

Have never expressed favor of a united Army and Navy under one department. I am not in favor of Department of National Defense, as I do not think it practical or economical.

Mr. ARENTZ. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. ARENTZ. The time of the gentleman is drawing to a close. Before he finishes will he tell us whether any economies can be effected by this consolidation? [Applause.]

Mr. MARTIN of Oregon. I was in hopes I would have time to go thoroughly into that subject to show the House what a farce this whole thing is.

Mr. SCHAFER. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. SCHAFER. The gentleman from Oklahoma [Mr. GARBER] asked if any military authority appeared before the Expenditures Committee and testified in favor of the consolidation. I will say there were not, but by innuendo the committee hearings show that officers now on the pay rolls in our national-defense organizations indicated in the dark that they were in favor of it. It was anonymous testimony. Those people ought to come out in the open or be removed from the pay roll of the Government.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. JOHNSON of Washington. Might not this proposed consolidation develop in time to the point that it might have at its head a superman?

Mr. MARTIN of Oregon. Most dangerous.

Mr. JOHNSON of Washington. A man with too much power.

Mr. MARTIN of Oregon. It would be fatal in war when prompt decisions must be made.

Mr. JOHNSON of Washington. It might lead to the very kind of militarism which nearly all citizens are trying to avoid.

Mr. MARTIN of Oregon. For instance, when I was in the War Department frequently some delicate question would come up, and I can now see Secretary Weeks reaching for that black slouch hat of his, marching across the street to the President, and he would be back in five minutes with a decision.

General MacArthur's letter to the committee, to which I have referred, is as follows:

GENERAL MACARTHUR OPPOSES AMALGAMATION OF WAR AND NAVY DEPARTMENTS

The Chief of Staff, Gen. Douglas MacArthur, has sent the following letter to the Hon. CHARLES H. MARTIN, Representative from Oregon, with reference to the project for amalgamation of the War and Navy Departments into a single bureau of the Government:

"You have asked for an informal expression of my views concerning the project for amalgamating the War and Navy Departments into a single bureau of government.

"No other measure proposed in recent years seems to me to be fraught with such potential possibilities of disaster for the United States as is this one. The proven agencies which have successfully conducted this country through six wars in a period of 125 years are now under the apparent dictation of a measure of economy to be launched on an adventure which, under certain conditions, might involve the very life of the Nation.

"Not only the military history of this country but of every other country gives indisputable proof of the advantages of maintaining in time of war the integral control of the two great branches of national defense—the Army and the Navy. Each must be free to perform its mission unhindered by any centralized and ponderous bureaucratic control. To those who have had practical experience in the conduct of war this principle is so basic and clear that it seems almost impossible that serious thought could be given to any other arrangement.

"I know of no responsible soldier or sailor in the whole gamut of history who has advocated such a plan as is now proposed. From the beginning of armies and navies the whole mass of testimony, not only of the great captains of history but of all those students who have written upon the subject, has been practically unanimous in this matter. When the Congress of the United States, in 1798, for specific and cogent reasons, abandoned the unsuccessful attempt to administer the two great fighting services through a single department, it was but conforming to the lessons of history, to the accumulated experience of civilized peoples, and to the dictates of logic. Fighting on the sea and fighting on the land have no elements in common except in so far as they are both engaged in the ultimate mission of victory. Separate commanders, specialized staffs, particularized training, and individual supply arrangements must remain as essentials for each. I will not attempt to burden you with a repetition of the manifold arguments along this line which have already been advanced. I

merely wish to emphasize that I give it as my fixed opinion that such an amalgamation as proposed would endanger victory for the United States in case of war.

"As I understand it, however, the motivation of the proposition is not efficiency but economy. This feature of the subject has been discussed for weeks by your committee, and by other similar groups at various periods during the past decade; yet I challenge anyone to show a single major line of operation along which important economies could be effected without dangerously impairing efficiency. The proponents of economy have been unable to develop a concrete program outlining its factors. The basic hope they have advanced seems to be built upon the thought that the amalgamation will do away with certain overhead expenses. Small and trivial concrete cases have been cited of possible overlapping and from these trivialities an opinion has been expressed that great economies may be accomplished by their elimination. The contrary result would obtain. Formation of the great organization proposed would not materially lessen the necessity for the separate logistical, administrative, and training staffs now existing, but would at once attract to itself a group of officers, civil officials, clerks, and others, which would probably exceed in cost and size during the course of time anything that this Nation has ever experienced. The history of government demonstrates that the parasitical development of bureaucracy spring from the setting up of superfluous échelons of control, such as the one proposed. Although I recognize the possibility of effecting relatively unimportant economies in isolated activities, the ultimate cost of this superimposed structure would, in my opinion, exceed by millions any economies that could be safely effected. The super-Cabinet officer at its head could not fail to be the acquirer of one of the largest and undoubtedly the most powerful governmental organization the United States has ever known. New buildings, new schools for the training of the composite soldier-sailor, new staffs, all with their additional cost, would be built up at the top of such a groupment. Rather than economy this amalgamation would, in my opinion, represent one of the greatest debauches of extravagance that any nation has ever known.

"The nations of the world have not all been wrong for all time. If it had been advantageous for governments to accomplish such organization as is now suggested, it would have been done decades, or even centuries, ago. The ingenuity of man has never found such outlet in any other channel as in that concerning war. This bill would run counter to the experience of the world.

"I can not emphasize too strongly the inadvisability of the serious consideration of this change in the face of the international situation that now exists. The instability, the uncertainty, the loss of morale among the combatant forces that would be entailed by acrimonious discussions along this line, seem to me to be fraught with such peril to the Government that even if everything that were said in favor of this bill by its proponents were true, I still would give my most solemn counsel to suspend action until the world has reached a condition of approximate normalcy.

"I am not going to burden you with a further detailed discussion, but this note represents the epitome of my professional opinion, in accordance with your verbal request. Pass this bill and every potential enemy of the United States will rejoice."

Mr. STAFFORD. Mr. Chairman, I ask recognition in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. STAFFORD. Mr. Chairman, the distinguished retired officer of the Army who has just addressed you calls for some evidence by those who favor this merger. I will say that General Economy favors it. Also the experts on the Appropriations Committee, who have had 20 years or more experience in service on that committee. I cite them as authority for the statement that economies will result because of the merger of these two great services. In addition to that, I cite one other service in Army and Navy, and that is the Air Service. What justification have we for having two or three respective air services, one in the Army, one in the Navy, and one in the Marine Corps?

I served back in 1921 to 1923 as a member of the subcommittee handling War Department appropriations, and there my attention was called to the duplications of activity, particularly in the Air Service. I became convinced that the Government would save millions and millions of dollars if those three air services were directed by one head.

We are appropriating \$25,000,000 or more for aircraft construction in the Army, more for the Navy, and a large amount for the Marine Corps. Each service maintains its own technical force of highly paid civilian employees. How can anyone in the face of that condition say that economies will not result by the merger of those services? The Navy maintains a large force of technicians for naval aircraft at

South Philadelphia, the Army a still larger force at Dayton, and the Marine Corps its independent unit at Quantico.

I know there is a studied effort on the part of the navy yards and others favorable to the existing system to have no economies whatsoever. They are in favor of the existing order. It can not be expected that the favored personnel, which is nicely entrenched in these three respective services, would come here and advocate giving up their berths.

Those who followed these services during the war know that we suffered by reason of conflicts between the Army and the Navy.

Great Britain has one unified service. Can anyone—even the retired Army officer who has just addressed you—cite any instance where Great Britain suffered in the World War by reason of having one unified service as is proposed here?

Take the subject of hospitalization. We had that subject up the other day. A great saving in hospitalization would result and as many other economies.

Naval hospitals and Army hospitals are independently established, with consideration only as to the need of their respective services. Here, too, the same service could be rendered to both services with saving from duplication.

In our work on the Committee on Military Affairs we find rivalry between the two services. Last year the War Department recommended that the Government abandon and sell a valuable tract of land on the Potomac, near Alexandria, that they no longer needed. I felt it was my duty to write to the Secretary of the Navy that we were about to give up this valuable tract of land and sell it at public auction. I thought that piece of land might be needed by the Navy. I wrote to Secretary Adams and called his attention to it. In reply he stated he would have need for it, but immediately the War Department woke up and found they would have need for it. Everywhere we find this rivalry.

Another instance of duplication: During the war the War Department at great expense established a proving ground of great extent along the Chesapeake Bay to test out our various guns and armament. A range of 30 miles was required. Shortly thereafter the Navy was securing an expensive tract on the Potomac for a similar activity, when that of the Army was entirely available for that purpose—original duplicate investments running into the millions and now expensive costs of maintenance.

The proposal now before us is to have a coordinating head for these two branches. Would not any private interest have a coordinating head for all of its various branches? Take the General Motors Corporation. That corporation not only manufactures automobiles but refrigerators and many other kinds of manufactures; but they have one manufacturing head, Mr. Sloan.

If you are in favor of economic management as in private industry, where one coordinating head controls, you will favor this proposal, and it will do away with bureaucracy in the Army, in the Navy, and the Marine Corps. You will have one head who will strike out all false extravagances and save the Government, the Air Service alone, millions and millions of dollars.

Mr. DE PRIEST. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. DE PRIEST. The gentleman has indulged in general statements on economy. I would like to ask him to cite one instance in figures where economy will result from the adoption of this proposal.

Mr. STAFFORD. The Air Service alone will save \$25,000,000. When I served on that committee 10 years ago I was convinced it would save \$10,000,000 or \$15,000,000 if those two services were combined. But the figures now suggested are \$25,000,000. As I have said, the respective Air Services have their own technical men, engaged in the same study and employed with the same problems. You take dirigibles. The Army has one sort of dirigible and the Navy has another sort of dirigible. Why, the barest consideration of the similarity of the two services in so many fields

will suggest economies by merger of like activities running into the millions. Those who favor economy should certainly approve this proposal.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. VINSON] for five minutes.

Mr. VINSON of Georgia. Mr. Chairman, under the name of economy this proposal to consolidate the Army and Navy into a single department of national defense, with secretaries for Army, Navy, and aviation, has been brought before the House. If the committee had deliberately tried to devise a scheme that would decrease the efficiency of the Army and Navy and cause increases in the cost of national defense, they could scarcely have devised a better scheme.

Bills of a similar nature were considered by the Committee on Expenditures in the Federal Government. That committee held long hearings and had before it, among others, the Secretary of the Navy, the Secretary of War, the Chief of Naval Operations, the Chief of Staff of the Army, the Chief of the Bureau of Aeronautics, and the Chief of the Army Air Service. Both Secretaries opposed the measure, as did the Chief of Naval Operations and the Chief of Staff and the Chief of the Bureau of Aeronautics in the Navy. That committee, after protracted discussions, finally tabled the measure by a vote of 11 to 8. After mature consideration they had seen the unwisdom and gross extravagance which was involved in the plan.

The measure was then taken up by the Economy Committee of this body. While I do not wish to reflect upon the intelligence of the distinguished members of that committee, it is apparent they know little or nothing of the organization and operation of the Navy and the Army. Otherwise they could not have included in this omnibus bill a proposal so fatal to the efficiency of the national defense as the one under discussion. Apparently they have been influenced largely by the fact that in a few minor instances similar activities are operated by both the Army and Navy in the same locality, completely overlooking the fact that Navy activities are primarily designed and operated for the support of the fleet, whereas Army activities are designed and maintained for the support of land forces.

To believe that economy would be promoted is to indulge in an evanescent dream. In place of economy, the formation of a department of national defense and the establishment under that department of a separate aviation sub-department would result in huge additional expenditures. In the first place, the secretary of national defense would have to have as his advisers a staff composed of Navy, Army, and air officers, and that staff would require clerical and other help. In addition, the air force would have to establish a headquarters of its own. In Great Britain, where a separate air force has been established, such headquarters cost 3.11 per cent of the total expenditures on the air service. Such headquarters was relatively much more expensive than the admiralty headquarters or the war office headquarters.

If adjacent air fields are to be consolidated into a single field and the hangars and machine shops consolidated, it will mean that buildings now occupied by the Navy must be moved away from their most convenient location on the water front, or that Army facilities must be moved to the water front. The equipment of the Navy fields is no greater than is needed for Navy needs, and the equipment of the Army fields is no greater than required for Army needs. For the sake of the theory, they may be consolidated and made inconvenient for either or both services; but it will not promote economy, it will not promote efficiency, and will involve increased costs. A separate air force will inevitably require the establishment of an air academy similar to West Point and Annapolis. This requires money. It is not an economy.

A separate air recruiting service will be required, and training stations for the air force enlisted personnel will inevitably follow. If we can judge anything from the experience of foreign countries, an additional medical corps for

the air service will inevitably follow, a supply corps for the air service will follow, and a construction corps for the air service will follow, and sooner or later all the staff corps will be reestablished in the air force. These things inevitably cost money. There is no economy in it.

It has generally been recognized that aviation is a young man's game. After an officer reaches the age of 45, he has not the fire and dash that is requisite for the most efficient combat flying. As a result, the great numbers of young officers must either be retired at a relatively low age or promoted and assigned to duties which are more or less nominal in character. Either procedure involves a huge economic waste. In the Navy, aviators after they have been employed during their younger years, are assigned duties on board ship, but their services may be profitably used by the Government until they reach the retiring age. This is the most economical use of their services, and the present system has resulted in the attainment of an aviation service second to none in the world. From the standpoint of economy, the proposal for a department of national defense is grotesque, and did it not involve the expenditure of millions of dollars, which must be raised by hard-earned taxes, it might be regarded as farcical.

Let us now look at the question from the viewpoint of efficiency. Military forces are maintained in order to render the most efficient service possible to the country in the event of war. Any action which tends to decrease that efficiency is in itself the greatest form of extravagance. It is vitally necessary that an admiral commanding the naval forces of this country at sea should have the control and direction of all forces in order to coordinate their efforts and bring about the defeat of the enemy. He must be able to give directions not only to the battleships, the cruisers, the destroyers, and the submarines, but he must also control the air forces, in order that they may work in conjunction with the surface and the subsurface craft to defeat the enemy. It is not enough that he should have a nominal control or that he should rely upon cooperation. He must have the absolute military control over the aviation units. He must be in a position, not to request them to do something, but to order them to do something. That is the only way in which victory at sea can be achieved. If you, gentlemen, wish to destroy the efficiency of your Navy, if you wish to insure the defeat of this country upon the sea in the event of war, then you should support this bill; but if you wish your Navy to be strong, if you wish it to bring victory to your country, then you should oppose this department of national defense.

The condition in the land forces is little different from that in your Navy. The general commanding an army must have control, not only over the infantry and the cavalry and the artillery, but he must have control over the air forces. That control must be as absolute and as certain as that which an admiral should have over the forces under his command at sea. It is essential that he must not only direct the efforts of those branches, but he must have absolute control over them.

Time is a matter of vital importance in naval and land warfare. The artillery effort must be accurately timed to support the infantry in its advance, and the support which aviation can give will be valuable if it is timed and almost useless if it is not timed so as to fit in with the effort of the other branches. To divorce aviation from the Army or Navy is to strike a vital blow at the efficiency of those services and to go far toward destroying the efficiency of both the Army and the Navy.

The proposal contained in this bill has been considered by neither the Military Affairs Committee of this House nor by the Naval Affairs Committee, but by the Committee on Economy, whose members know little of the Army or Navy. Some years ago a similar proposal was considered by the Military Affairs Committee of the House and definitely rejected. This very proposition was considered by the Committee on Expenditures and rejected. A separate air department was considered at great length by the Morrow Board and definitely rejected.

The present system has brought about the most efficient naval aviation in the world. This is generally conceded even by foreign observers. On this subject Admiral Beatty had the following to say:

The Royal Navy to-day is the most up-to-date and efficient navy in the world, except in one respect, and that is its air equipment. The air wing of the United States Navy, owing to the single control exercised over the United States Navy, is far ahead of our fleet air arm. They carry out exercises on a scale quite impossible in our fleet. I view with dismay the grim prospect of superimposing expenditure for the air service on the already heavy expenditure of the army and navy. We are the highest-taxed country in the world and yet we commit ourselves to the extravagance of having three fighting services. Reduce them to two and we should save millions of public money with greater efficiency, as in the United States.

If you gentlemen wish to destroy the efficiency of your Army and the efficiency of your Navy, then you should vote for this section; but if you desire to maintain the efficiency of those services, in my opinion, you should unhesitatingly vote to strike this pernicious section from this bill, and you should remember that there is scarcely a representative of the Army or Navy who has been heard on the matter who does not unqualifiedly recommend against this pernicious proposal. [Applause.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, if there was ever a time on earth when efficiency should be the thought uppermost in the minds of legislators, it is now. The condition of the people everywhere is far worse than at any time during my recollection. In all the mail that you and I are receiving the people are wondering why we do not do something to reduce the expenses of this Government.

We appointed an Economy Committee that has worked long hours for the purpose of bringing to the House a program which would enable us to save some money, but every time any proposition comes before this body to save money then the class that is affected immediately refuse to contribute in any way in bringing about the desired result.

I am a member of the Naval Affairs Committee, and I want to tell you something about the activities of that department of Government. We have in the Navy and in the Army about 21,000 officers, and the appropriation necessary to take care of these 21,000 officers is approximately \$100,000,000 per year. In the Navy there are about 8,000 or 9,000 officers, and we have only about 80,000 enlisted men for them to look after; in other words, it requires 1 officer to look after every 10 enlisted men. The proportion is wrong, and I want to say to you that as long as we have our Army and Navy scattered all over this Nation and all over our different insular possessions, divided up as they are, we are going to continue to have the same kind of jealousy and animosity that is apparent now.

A short time ago it was my privilege to go down to Australia and New Zealand, and while there, in a conversation with the Minister of Defense, who is the head of the combined army, navy, and air service, I asked him the question whether he had any jealousy or animosity on the part of the different services, and he replied, "Certainly not; why should I? I am the boss."

During the World War our allies found it was not possible to maintain the right kind of efficiency over in Europe until we selected some one officer and placed him at the head of all the different kinds of activities. The same thing that was true then is true now, and just as long as you have this divided authority just so long will you have jealousy and animosity; and when you have jealousy and animosity in any bureau that has for its purpose the serving of a common interest, just that long will you have inefficiency.

I want to call your attention to the enormous increase in appropriations that are being made for the Navy on a peace basis.

During the year 1914, prior to the World War, our total appropriation for naval activities was \$148,254,322.41. In 1915 it was \$151,033,908.03. At that time we had approximately 55,000 enlisted men. This year the appropriation has been increased until the amount is practically doubled,

it being more than \$320,000,000. The number of enlisted men has increased only approximately 50 per cent, while the amount of money we are expending represents an increase of more than 100 per cent. This same situation is true with respect to the Army.

Prior to the World War the activities of the Navy could be housed in a portion of one of our public buildings. At present it requires at least fifty times more space for such purposes, and instead of being on a peace basis the activities have increased until between 500 and 1,000 different articles are being manufactured in competition with private industry. These plants are located at a number of cities throughout the Nation; and if this consolidation were brought about, an enormous amount of expense could be saved in this activity alone.

The Secretary of the Navy on February 24 furnished to me a statement that showed some of the articles that were being manufactured by the Navy, which is as follows:

FEBRUARY 24, 1932.

Special manufacturing facilities exist at the industrial navy yards as follows:

Portsmouth, N. H.: Electrical fittings and fixtures; submarine propellers; aluminum castings.

Boston, Mass.: Rope (Manila and hemp); chain cable (forged steel); kenter shackles; chain-cable tests.

New York, N. Y.: Diesel engines and parts; flags and hammocks; valves, H. P. and L. P., and parts; pipe flanges; mattresses, hammock; centrifugal castings; laboratory tests of material and equipment.

Philadelphia, Pa.: Steel castings; atomizers; registers and parts for oil-burning burners; mattresses; ship propellers; the naval aircraft factory is located in this yard.

Washington, D. C.: Guns, mounts, and turrets; ship models and model tests; propeller models and tests; catapults; bomb racks; radio equipment; optical instruments; steel castings; model basin and wind tunnel are located at this yard.

Norfolk, Va.: Motor-boat engines and parts; paints, cements, varnish, shellac, wax, and putty; metal furniture; cans and receptacles; kenter shackles; cast-steel chain cable; gyro-compass parts; turbine blading; steel and aluminum castings; boilers for naval vessels; reconditioning of gas cylinders.

Mare Island, Calif.: Motor-boat engine parts; paints, cements, varnish, shellac, putty, and wax; clothes lockers; centrifugal castings; flags; rubber products; chain-cable tests; reconditioning of gas cylinders; mattresses; paint buckets and receptacles; propellers, ship and motor boat; coils, evaporator.

Puget Sound, Wash.: Canvas work, hammocks; chain cable; valves and flanges; steel castings; chain-cable tests.

Cavite, P. I.: Flags and canvas work; rope; mattresses; paints.

It is reasonable to suppose that the Army has just as many manufacturing industries, and I venture to assert that there is no cooperation between these departments in furnishing such articles as are manufactured by one branch of our national defense to the other. It will be said that some of the articles manufactured could not be used by the Army; yet, the fact remains that the labor and machinery could be used to manufacture a large number of the articles adaptable to both the Army and the Navy, thus enabling millions of dollars to be saved, if it is necessary to continue this policy.

The Navy maintains two different kinds of recruiting stations, and the Army one. Oftentimes all three of these are located in the same city. At present some of these stations are not enlisting over three individuals per month, and each one of them maintains a separate bureau and, as a rule, maintains a commissioned officer in charge of the activity. Enormous sums of money are wasted by this kind of duplication. There is no coordination to speak of with respect to the purchasing of supplies. At the end of the World War the Army had on hand 10,000 Liberty motors and the Navy had over 7,000. Many millions of dollars were wasted because neither activity had information concerning what was being bought by the other department. This same thing is true with hundreds of other articles that could be enumerated, and in my opinion there never will be proper efficiency until our national defense is divided into three heads—the Army, the Navy, and a unified air service—and all placed under one department to be known as the Department of National Defense. The nations of the world that are the best off financially and the ones that have the greatest sea powers have recognized the necessity of having their national defense under one head. No one can say

that France and England do not have a proper knowledge with respect to war activities, as their very existence depends on having the most efficient method of handling their national defense. At present both the Navy and the Army have the United States and our insular possessions divided into corps areas. There is extreme jealousy between these two different services as to the line of demarcation separating the jurisdiction between land and sea. Evidence has been given in hearings held before House committees which showed the jealousy existing between the Army and the Navy activities, among those stationed in our insular possessions, and so long as the Army and Navy have equal jurisdiction this condition can not be remedied.

This world is suffering because of abnormal and excessive military expenditures. In this Nation it is estimated that more than 75 cents out of every dollar is expended for national defense, pensions, hospitals, and other expenditures incident to the results of war. The Government at the present time has over a million employees, which brings about an annual expenditure of over \$1,000,000,000. The time has come when our citizens will not very much longer put up with the policy now in effect, which is causing the expenses of the Government to go forward in leaps and bounds. Therefore, it would seem to me that any Member of Congress could see the wisdom of creating these three separate bureaus and placing them under one head, so that duplication, jealousy, and inefficiency could be put to an end and at the same time bring about an enormous reduction of costs amounting to many millions of dollars annually.

Mr. CHINDBLOM. Mr. Chairman, no one knows better than I do the demand throughout the country for retrenchment and reduction of expenditures by the Congress. It has been heralded that this entire proposal of the House Economy Committee will save the taxpayers \$200,000,000 without impairing the efficiency of the Government. Even if that be so, the saving will be far below the expectations of the people. Large reductions can be made only by the actual elimination of activities and services which are not absolutely essential for the proper and necessary functions of the Federal Government. On March 15 last, I made a speech in the House, in which I called attention to the fact that for the current fiscal year, 1932, Congress appropriated for direct payments to the States, for subsidies pure and simple, for purposes not Federal or National, but State and local in character, the total sum of \$249,246,144.76, and for cooperative work with the States, for similar purposes, the further sum of \$15,380,040. These and similar expenditures should have received attention and action at the hands of our Committee on Economy.

However, I for one shall support the proposals which this committee has made. We have so far in Committee of the Whole largely emasculated the work of the Economy Committee. When the time comes for separate votes on the propositions which have been before us, we will have an opportunity to redeem the reputation and standing of the House before the country on these questions. [Applause.]

I have taken the floor to say I shall support every proposition for real economy, but I can not believe that there is any meritorious economy in the proposal to consolidate the War and Navy Departments.

The report of the committee shows no real saving in this proposal, and in the very nature of things the mere consolidation will not reduce expenses materially. Besides, I would do nothing that impairs any or all branches of our national defense. I can not take my authority for legislation upon national defense from those who have not given their lives to the work and study of national defense. I propose rather to take it from men in our Government and among our people who have given the subject their thorough and sympathetic consideration. Such men are universally opposed to this consolidation, and believe it will work injury to the efficiency and morale of our Military and Naval Establishments.

Of course, as the committee report states, there will be saving of one member of the President's Cabinet, by substituting one Secretary of National Defense, but there will be

added, instead, three Assistant Secretaries, one for War, one for Navy, and one for Aeronautics. The report of the committee goes on to say that "it makes no changes with reference to the Army and Navy, but does provide that the Secretary of National Defense may consolidate" the various air forces. The resulting economy is altogether problematical; in fact, the report says that "it is impossible to state just what amount will be saved as a result of this consolidation," but upon an undisclosed basis the report adds that it is "estimated" that from \$50,000,000 to \$100,000,000 "may" be saved. Equally reliable estimates show no real saving, but even probable increase of expenditures with a larger unit of diversified activities. In all events, there are many things we can do as a matter of economy rather than emasculate and destroy the national defense in this hour, when the conditions of the world certainly do not encourage such a procedure.

The national defense is, in my opinion, the most important activity of the Federal Government. The Constitution makes national defense one of the main purposes of its existence, and it is one of the last things we should in any way throw into jeopardy. At least we should be certain of the effect of any action we may take regarding it.

I repeat I am for economy. I shall support the work of the Economy Committee, but this particular question must be subjected to expert knowledge; this is a matter that involves the existence and the perpetuity of the Republic; and I can not make myself believe that I should set up my judgment against the universal opinion of those who have devoted their lives to the matter of national defense. [Applause.]

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the amendment. Stop and consider what is the objective of the Army and the Navy. It is the same—national defense. If we had any other two branches of the Government that had the same objective, we would say, put them together and place them under one head.

In five minutes one can not say much concerning this proposition, to create a Department of National Defense. The Committee on Expenditures held hearings for several weeks upon this bill that you are now going to be asked to vote on.

Mention has been made of the Air Corps. The gentleman from Oregon, General MARTIN, would like to know who says that we should have a united Air Corps. In answer to him I say that the present Chief of the Air Corps of the Army stated that eventually we would have to have one Air Corps. Further, General Patrick, former Chief of the Air Corps, wrote a book, which can be obtained in the Library, and in conclusion he recommends a united Air Corps. Let me show you the disposition of the Army toward the Navy. Small matters, but they make my point.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. I regret I can not yield. I do not have the time. For three years there has been a dispute between the Army and the Navy Air Corps over an air field in Hawaii. Gentlemen say that the President is the Commander in Chief of the Army and the Navy and that he can settle arguments. Why has it not been settled before this? The matter is still in dispute. The Navy wants that air field and the Army refuses to give it to the Navy. If you had one head for the Army and Navy, that dispute would have been settled.

The former chairman of the Committee on Military Affairs [Mr. JAMES] told me of another matter which gentlemen will probably say is trivial, but, small as it is, it will give an idea of how they are working together.

He told me that on one of his inspection trips, which resulted in his coming back to the House and giving us wonderful information relative to the activities of the Army, and I will say I think he knows as much about the Army as any man, he was flying into a field in California, the Navy having one side and the Army having the other side. He told his pilot to fly in a certain direction. The pilot informed him that he could not fly in that direction, because he would be required to go over the Navy side of the field, and the

Navy would not let Army planes fly over the Navy side of the field. Mr. JAMES told him that he was the commander of the ship, and instructed the pilot to enter that field over the Navy side. By the time his machine landed on the field a bunch of Navy officers were running across the field to chastise the pilot for flying over their side of the field. Some one ran out and told these officers who was in the ship, and they immediately turned around and went back.

Mr. HERR. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. I am sorry I can not yield. We had a discussion yesterday about transports. Does anyone know of any reason in the world why the Navy transports should not carry the Army men? If anyone does, let him give it.

Mr. HERR. Will the gentleman yield for an answer?

Mr. COCHRAN of Missouri. Please answer in your own time; I have but five minutes. Let the enlisted men in the Navy man the transports that carry the personnel of the Army to different sections of the world. Will that save money? Of course it will.

Mr. HERR. Is the gentleman sincere in wanting an answer to his question?

Mr. COCHRAN of Missouri. Certainly, but I do not have the time to yield to the gentleman.

Mr. BARBOUR. Will the gentleman yield?

The CHAIRMAN. The gentleman declines to yield.

Mr. COCHRAN of Missouri. Gentlemen, you can start at the bottom, and that is the recruiting stations. Any one of you gentlemen who comes from a city where they have a recruiting station will know that there are three recruiting stations—the Army, the Navy, and the Marine Corps—each with a separate assignment of officers, doctors, noncommissioned officers, and enlisted men on duty. Why could you not get along with one recruiting station for the Army, Navy, and Marine Corps? Small, but it shows how money can be saved.

You will hear much to-day about the Army and the Navy getting together, that they are on good terms. They get together once a year, and that is when the President invites them to the White House to the Army and Navy reception, and that is the only time they ever get together. They will not get together, and this extends from the enlisted man to the door of the Cabinet officers. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WILLIAM E. HULL. Mr. Chairman, I just listened to my friend speak about the Hawaiian situation. I was over there myself and made a study of it. What the gentleman said is absolutely without any foundation. There is no fuss between the Army and the Navy over there in respect to where they shall land. The only difficulty is that the field is a little too small. The time is near when they will have to make a new field on the other side, so that the Army will be able to land there. The statement that there is a dispute between them is without foundation.

I have been making a little study of this in a business way. I am not particularly anxious to put my opinion above that of anyone else, but you are now getting into a situation where you are either going to make money for the Government or lose it, and my judgment is that you will lose it twice as fast the way you are trying to arrange it now.

Mr. MARTIN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM E. HULL. Yes.

Mr. MARTIN of Oregon. Talking about this dispute between the Army and the Navy, I suppose the gentleman is familiar with the joint board, organized in 1903?

Mr. WILLIAM E. HULL. Yes.

Mr. MARTIN of Oregon. Does the gentleman know how many disputes there have been before that board in the last 30 years? Five hundred and four, and all of them have been settled.

Mr. WILLIAM E. HULL. Everyone knows that who has made any study of the matter. They make these settlements, and I know there is nothing in this story about the fuss between the Army and the Navy.

By the formation of a Department of National Defense a serious blow would be struck at the efficiency of our national-defense forces in time of war. We maintain the Army and the Navy solely for the emergency of war; if we can not be assured that they will be efficient to maintain the security of our country in war we might as well dispense with them entirely.

To those who have made a life study of military and naval affairs we should turn when we want advice for the defense of a nation. The officers of the Army and the Navy are charged with grave responsibilities of maintaining the efficiency of the defense forces. During the World War it will be noticeable that governments were reorganized to cope with the demands of that war and still not a single power turned to a consolidation of the Army and Navy to bring about efficiency in any nation's fighting power.

The confusion of such legislation would create a disastrous effect. Remember, the President is the Commander in Chief of the two great departments and they are both under his direct control. In war he directs each in conformity with the national policies, each—the Army and Navy—in its distinctive strategical rôles.

What good would a Secretary of National Defense be? He could not decide the great questions of coordination between the Army and Navy. The President could not possibly delegate to him the power of decision with respect to the Army and Navy. If he should do that, he would renounce his responsibilities of the Commander in Chief. Direct action is essential in time of war. That is a fundamental of military organization. The new structure loses advantage of direct action. The secretary of national defense will only hinder and delay action when it is vital.

This bill, as you will notice, proposes a separate department for aviation. Would not common sense teach the Congress of the United States that the Navy needs its own particular kind of aviation and the Army needs theirs. In fact, why should not the Navy control their aviation and the Army control theirs? That is good common sense. If we should set up a Secretary of Aviation in the Department of National Defense, we would only be adding another bureau to the United States Government, and in my judgment you would have to go to the Army and Navy Building and build two more stories on top of it to take care of the bureaus that would occur under this consolidation. The aviation would need at least one floor and there would be more stenographers and clerks employed than there would be sailors.

You must realize that you will not take away any of the members of the War Department. They will all have to remain in their offices. So, naturally, those offices are to be filled by the personnel of the Army.

Then you would have to have another floor built for the benefit of the Secretary of National Defense and he would again be surrounded by clerks and stenographers instead of soldiers.

So, taking it all together, I think that it would be a very serious mistake for the Congress of the United States to make a consolidation of the Army and Navy, and this title should be stricken. There could not possibly be any economy in consolidation; it would be a dissipation of public funds and the efficiency of our national defense forces, would jeopardize our national security, and therefore I believe that the Congress of the United States in their vote to-day should disqualify a consolidation. [Applause.]

Mr. HILL of Alabama. Mr. Chairman, I have the highest regard for the officers of the Army and of the Navy, and I am always glad to have their opinions on any matter pertaining to national defense, but I would no more accept their opinions as final in a matter such as the one now before us than I would permit them to write their own pay bill. [Applause.] For eight years I have had the honor to serve on the Committee on Military Affairs of this House, and I have seen so much evidence of overlapping, of duplication, of friction between the two services, costing the taxpayers of the country millions of dollars, that I am convinced that a

single Department of National Defense would be a great economy move.

I am supporting this Department of National Defense not only because of economy but because I believe it would make for more efficiency and a more effective national defense.

Mr. BARBOUR. Will the gentleman yield?

Mr. HILL of Alabama. Not now. I only have five minutes. I do not want to be discourteous.

Let me say that during the Sixty-ninth Congress, after weeks of hearings and of study on the question, every Democrat on the Committee on Military Affairs voted for a single Department of National Defense. We must remember that our responsibility is to provide for the national defense, and the Army and the Navy and the Air Corps are merely instrumentalities with which we provide national defense. To-day there is a serious lack of correlation between the missions and the rôles of these different services. All kinds of overlapping and duplication, all kinds of animosities and petty jealousies are present between them.

Mr. PARKER of Georgia. Will the gentleman yield?

Mr. HILL of Alabama. I can not yield at this time.

The animosity and jealousy and feeling between those two services is such that they can not even get together and play a game of football. [Applause.] What is the practical proposition to-day? The Navy comes to Congress, appearing before its Naval Committee, and there presents its side as to what it wants and what it says it must have, an entirely *ex parte* proceeding; the Army does the same thing before the Military Committee, and as a consequence the Congress never has a full picture. It just gets one side of the proposition in *ex parte* proceedings.

The idea of a single Department of National Defense is no departure from the fundamentals of the defense policy of our Government. In the very beginning the thought was that we would have our Army and our Navy, and that the President of the United States would be the Commander in Chief. Our Government, however, has grown and expanded so much, and there are so many duties imposed upon the President, that he simply has no time for bringing about an equilibrium between the services. Furthermore, as has been well said, the advent of the airplane revolutionized the science of warfare more than did the invention of gunpowder. To-day we not only have the Army for land warfare and the Navy for sea warfare but we have the air forces which operate either over the land or sea. Only through a single Department of National Defense can the air forces with economy take their proper place in the scheme of national defense, and the nation that controls the air will win the next war.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. WHITTINGTON. Mr. Chairman, I rise in support of the amendment.

Title VI, in my judgment, has no place in this bill. [Applause.] The Army and Navy are for common defense. The Union was established to promote the national defense. The title provides for consolidating the Army and the Navy. It also provides for an independent air force.

The Committee on Expenditures in the Executive Departments, of which I am a member, has carefully considered during the present session of Congress two bills to consolidate the Army and the Navy. One was introduced by the gentleman from Tennessee [Mr. BYRNS] and the other by the gentleman from South Dakota [Mr. WILLIAMSON]. Both of these gentlemen are members of the Economy Committee, which reported the bill under consideration for a Department of National Defense.

The Byrns bill is embraced in the pending economy act, but it is just as deficient as the Williamson bill. Both were rejected after hearings by the Committee on Expenditures.

The program for economy should provide economies in departments that already exist. It is hazardous to create new ones. Matters of major importance should have the careful consideration of Congress as independent propositions. [Applause.]

The Army and Navy are the most important departments of the Government. A bill for their consolidation, particularly where it has been rejected by the proper committee of Congress, should not be embraced in the economy program.

CONSOLIDATION

The so-called national-defense title combines the Army and Navy with one Secretary as a member of the Cabinet, and provides for three Assistant Secretaries for the War, Navy, and Air Forces, respectively. Two departments are combined and one new department is created. The bill makes no provision for the lopping off of duplications or for reduction of expenditures in either department. It merely provides, I repeat, for combining the existing departments of the Army and Navy.

In behalf of consolidation it is urged that economy and savings will result. It is asserted that with one executive head there would be greater efficiency in the Army and Navy. As a member of the Committee on Expenditures in the Executive Departments, I am familiar with the hearings. Three advocates of consolidation appeared before that committee, Mr. BYRNS, of Tennessee, Mr. McSWAIN, of South Carolina, and Mr. WILLIAMSON, of South Dakota. All other witnesses, including the Secretary of War and the Secretary of the Navy, opposed the consolidation.

I take it that the gentleman from Tennessee [Mr. BYRNS] submitted the very best arguments at his command for the consolidation. His statement disclosed that he was unable to show any definite economies that would result from the consolidation. I quote from the hearings and from his statement on page 5 of the hearings. In response to a question by a member of the committee, among other things, the gentleman from Tennessee said:

You can not tell what savings you can make until this goes into operation.

The Army and Navy ought not to be consolidated on uncertainties. There should be something besides guesses. There should be some basis besides opinion. The only real suggestions for economies made by the gentleman from Tennessee related to the civilian personnel, the contingent expenses and the expenditures for printing and binding for the Army and Navy in the city of Washington. I may also add that the only argument for a separate and unified air force was an alleged reduction in the civilian personnel. The gentleman from Tennessee referred to the naval air station and the Army air station at Bolling Field. He insisted that there should be a reduction in the civilian personnel at this field. He pointed out that the combined cost of the civilian personnel, the contingent expenses, and the expenses for printing and binding in the city of Washington for the Army and Navy aggregated \$10,700,000.

The annual appropriation for the maintenance of the Army and the Navy is between \$600,000,000 and \$700,000,000. The cost of the civilian personnel is comparatively small, but this fact should not deter the reduction of the civilian personnel where it is justified. I advocate economy in both the Army and the Navy.

The gentleman from Tennessee also stated that there were certain overlappings and duplications. If such be the case, they should be eliminated. The remedy is to eliminate and lop off the duplications rather than destroy the efficiency of the two great departments by combining them. It was suggested that there are duplications in matters of communication. The Army and the Navy have their radio ground service. Both have cablegram service. I am not familiar with war, but my reading of military history confirms me in the view that communications are important in warfare. The lack of communication at the first battle of the Marne resulted in the defeat of the German Army. Communications may be costly, but they are important in war.

There was nothing submitted to show that greater efficiency would result by combination. It was suggested that there should be one secretary for the Army and the Navy. At present, however, the President of the United States is Commander in Chief of the Army and the Navy. He is the final executive. The Army and the Navy are immense de-

partments. There are Army posts and stations along the coast and in the great interior of this mighty country of ours. The Navy confines its operations to the sea. Its bases are along the coast. The Army and the Navy are too large for consolidation.

The so-called savings and economies are more fanciful than real. The combining of the two departments would result in the establishment of a superdepartment, with a new staff and with new personnel. The creation of a new department generally results in extravagance. No facts have been advanced to show that any real economies would result, nor have any facts been shown to prove that greater efficiency would obtain by combining the two departments.

JEALOUSIES

It has been said that there is some friction and some jealousy between the two departments. I see no reason to combine them if such exist. The Army has its traditions, and the Navy is entitled to its views. They both function for the national defense. There may be differences between the two, but both the Army and the Navy are patriotic. Their loyalty and their devotion have never been questioned.

The gentleman from Missouri [Mr. COCHRAN] stated that their jealousies prevent the annual football game that formerly obtained. I happen to be a member of a large family. I have several brothers. As boys, we had our differences. They frequently resulted in combats, but it was another question when an outsider engaged my brother in combat. We may have differed among ourselves. There may have been jealousies, but as against all others, we were united. So it is with the Army and the Navy. They may have their differences, they may have their jealousies, but they have been and always will be united for the defense of our common country.

OPPOSITION

I have referred to some of the arguments in favor of combining the Army and the Navy. It has been said that some of the leaders on the Democratic side favor the consolidation. As I have stated, I am a member of the Committee on Expenditures in the Executive Departments. Notwithstanding the views of others or of the leaders, I construe it to be my duty as a Member of Congress to consider carefully all propositions submitted to the committees of which I am a member, and to be able to justify by the facts of the hearings any conclusion that I reach. My colleagues would have little respect for my conclusions, if I were unable to justify my course by the facts developed at the hearings.

The proposed consolidation runs counter to human experience. [Applause.] In all ages, among all nations, there have been soldiers and sailors. The soldier functions on the land and the sailor on the sea. Such consolidation not only runs counter to the experiences of all nations, but particularly to the experiences of the United States. When the Union was formed, there was a single department of national defense. There was no separate Navy Department. After George Washington retired from the Presidency to Mount Vernon, it was thought that there would be trouble with France. It was immediately recognized that a consolidated department could not properly function. As a matter of necessity, at the first appearance of war after the Union was formed, the Navy was organized in 1793. The United States has tried the experiment. It has failed. It can not be that the world has been wrong all the time. What soldier or what sailor, what man of experience in war, has advocated the combining of the two departments?

In this connection, Great Britain, France, Japan, and Italy have separate war and navy departments. We have no use for these departments, except for war and for national defense; but if we are to have them, they should be properly maintained and the departments should properly function. We should profit by our experience and by the experience of human history before we cripple our national defense. Armies and navies have always been independent. The one fights on the land, the other fights on the sea.

There has been vast improvement in both the Army and Navy Departments in the past 30 years. Mention has been made of the purchasing and storekeeping activities. Reasonable

coordination and cooperation now obtain with respect to both of these matters. There is the War College in the War Department and the Naval College in the Navy Department. There has been organization and correlation of the activities in the two departments. It was while Elihu Root was Secretary of War that there was a complete reorganization of the War Department, in the interest of both economy and efficiency. We should stop and think before we depart from the course that has made our Nation great as well as the course adopted by the leading nations of the world.

SEPARATE AIR SERVICE

The bill not only provides for combining the Army and the Navy but it provides for a separate air service. This is no new question. It has been thoroughly investigated by committees of Congress. The Lampert Committee made an investigation in 1922 or 1923. Neither Congress nor the country was satisfied with the report of this committee. As a result, the President appointed the Morrow board in 1925. This board was composed of some of the leading business executives of the country and some of the most capable officers of the Army and the Navy. Its unanimous report was against the consolidation of the Army and Navy and against the establishment of an independent air force.

Aviation is expensive. If we are after economy, and if false economy is to obtain, we could eliminate not only much of the Air Service but much of the Army and the Navy. Such economy, however, would be worse than false. The Air Service is important. It is an adjunct of the Army and it is also an adjunct of the Navy. It is valuable. It will play an important part in future warfare. Our experience demonstrates, however, that the air forces should be subject to the Army and subject to the Navy. Greater efficiency obtains by the air forces being subject to the Army and the Navy, rather than being independent.

It is said that there is a separate and unified air force in Great Britain and France. The condition in those nations, however, is different. There are geographical differences. The capitals are no farther apart than the capitals of the States of the Union. They are likewise located not very far from the sea. The situation is different with the United States. We are isolated. The same situation obtains with respect to Japan. It is regarded as one of the major powers. Both the United States and Japan have air forces as adjuncts to the Army and the Navy, rather than as independent departments.

It occurs to me that much confusion would result if the air forces were unified. We have in the Navy the aircraft service. If the aircraft service were under the control of a separate department, it strikes me that there would be much confusion. How could the *Lexington*, the *Saratoga*, and the *Langley* be handled? These are the principal aircraft carriers. They are valuable adjuncts of the Navy, but if the carriers were under different departments, inefficiency would surely follow.

Not only has Congress given consideration to the consolidation of the Army and the Navy, but other nations have given consideration to the matter. In 1922 Great Britain appointed a technical committee to investigate proposals for the consolidation of the Army and Navy. After careful consideration this committee reported that a consolidation was not advisable. Moreover, it stated that it was very doubtful if any substantial economies would be effected.

The investigations heretofore made by the committees of Congress, as well by other committees to which I have referred, have demonstrated that by consolidation a superdepartment would result in increasing the number of officers employed in administrative duties, and would not result in any economy. There is now cooperation, not only in the purchasing and storekeeping activities of the Army and Navy, but there is cooperation in the Army and Navy in what are called joint planning boards, in the aeronautical board, and in the Army and Navy munitions board.

DANGEROUS

It is no time for change. Mere change is not progress. The universal experience is that the establishment of a new

department results in extravagance. Our dual system has been perfected through the years. Why should the United States embark upon the hazardous and dangerous policy of combining the Army and Navy? Why not advocate combining the Department of Agriculture and the Department of the Interior?

We have one Executive. He is supreme in war and peace. The President of the United States is Commander in Chief of both the Army and the Navy.

Separate departments promote progress. The Army and Navy try to excel each other. A consolidated department would call for new schools. Neither Annapolis nor West Point would be in order. New institutions for training the soldier-sailor would be required. The consolidation would really be foreign to economy.

The two departments have existed and functioned well for 125 years. Neither is perfect, but we have fought six wars successfully. In this period of unrest at home and abroad there is no time for experiment. Preparedness is the goal. Separate departments have been justified by our experience in every war we have ever fought.

The World War is still fresh in our minds and the achievements of the Army and the Navy are vivid in our memories. It was the greatest war in which the American soldier and sailor ever participated. We had better play safe. For any imperfections, for any duplications, for any excess of personnel the remedy is for the legislative committees to modify existing law. The remedy is for the Appropriations Committee to prevent waste and extravagance. Mere consolidation is not economy. It may hinder rather than promote the national defense.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, during the World War the allied armies, including the American Army, were trying their best to bring victory to the allied forces. They had a great deal of difficulty until finally at the suggestion of the different generals and the prime ministers and the President of the United States, they agreed on a unified control, putting all of the armies of the Allies under the control of General Foch. A short time after that was done, the war was prosecuted to a successful conclusion on the part of the Allies.

While they were waiting for this unified control, you had the picture of many men at Cambrai in the English Army and in the French Army going to their deaths as a result of no reserves being brought up from other armies to reinforce the army attacked. The British general would ask for reserves from the French when attacked and would not get them, but would be told: "We have got to keep our reserves down here at this point of the line and we can not give them to you." You have all read that history; you know that is so. Finally unified control was secured and General Foch was able to order the American troops here, the French troops there, and the British troops some other place, as they were needed.

Mr. WHITTINGTON. General Foch did not have charge of the navies, did he?

Mr. CONNERY. What applied to the Army at that time could very easily apply to the Army and the Navy combined. During a war the President of the United States surely has enough on his hands without calling in Admiral This and General That and trying to compose their differences and getting them to get together to prosecute a war.

I am in favor of this consolidation of the Army and Navy on the principle of national defense.

We had General Mitchell testifying on the Air Corps proposition and then getting out of the service, resigning, because he felt it his duty to bring to the attention of the people the fact that the air force of the United States was not functioning as it should function.

Any future war which we might be unlucky enough to get into would be fought in the air and under the sea, and I believe that we should have a unified air corps in the United States. I believe that we should have a Secretary of National Defense whom the President can call in and say: "This is your job; call in your Army secretary, call in

your Navy secretary, call in your Air Corps secretary and tell them what you want done." It would then be a case of not what some admiral wants done or what some general wants done, not the jealousy and the inactivity, and the waiting for the Navy to do this, the Army to do that, and the Air Corps to do something else; but the secretary of national defense would say to the officers: "We are going to attack the enemy. You with your air force will do this; you with your Navy will do that; you with your Army will do that. There is nothing further to be said. You will go out under a unified command and help win this war." [Applause.]

I am in favor of this proposition because I feel it is for the best interest of national defense and the American people. Furthermore, I believe it gives us some real economy. [Applause.]

[Here the gavel fell.]

Mr. DREWRY. Mr. Chairman, this bill is an illustration of a legislative panic. For the last 10 years the United States has spent its funds extravagantly and uneconomically. There have been great waste and lack of economy. The country is now facing the result of such procedure. Many individuals have done the same thing. As a matter of fact, probably 95 per cent of our people have been engaged in an orgy of spending. The result is the same to each so far as the Government and its citizens are concerned. Now, the time has come when we must "pay the fiddler." We have danced to a money-mad tune.

It is now being forced upon our attention that there is no more money to throw away and that we must work harder and save more. The people "back home" have directed Congress to stop its wastefulness, its extravagance, and to cut down expenses.

In our effort to obey their commands Congress has been engaged in a valiant effort to retrench. In an effort to cut down expenses in an orderly, sane, well-thought-out manner it was soon found that the majority of the people thought the ax should fall on the tree in the other fellow's yard. "You mustn't touch my pet project or disturb my salary—cut the other fellow first," was the cry. Congress became confused, and maybe a little reckless. The final decision to strike everywhere is evidenced by this bill.

With a few weeks of discussion and without hearings a bill has been brought into the House providing changes in our governmental structure that if properly considered would have taken months. Regardless of fixed economic policies concerning the reduction of the purchasing power of the people, ruthlessly an arbitrary slash of all salaries is made. Regardless of world conditions, this time, when the whole world is upset and no man knows what the next day will bring forth, has been selected as the time to try an experiment with the national defense. Such proceedings can only be the result of panic conditions.

As a further evidence that the condition of panic has swept over Congress as a prairie fire, all party responsibility has been relegated to the rear and normal leadership has been disregarded. Every man is looking out for himself and his own political interests. While I deplore the panic condition that caused this, yet this absence of partisanship seems to afford the only ray of light. With "party" in the rear, patriotism may come to the front as the only guiding motive in our determinations. "What is for the good of the country?" is the sole question. Opinions of men may differ, but the subject can be approached without being beclouded by any partisan charges or motives. This is the spirit in which we should consider our national defense. That is one subject that affects us all—all people and all parties. There is nothing personal or partisan about the defense of the Nation.

This bill provides for the creation of a new executive department to be known as the Department of National Defense, at the head of which shall be a Secretary of National Defense, and under him three assistant secretaries, one for the Army, one for the Navy, and one for a new branch, aviation. At present we have, as you all know, two Secretaries for two departments, the War and the Navy—each depart-

ment controlling its own aviation functions. Which is the better system, the most efficient, and the most economical? My own opinion is that the present system is far superior.

There could be only two reasons to change our system of national defense. First, to make it more efficient, and, second, to decrease expenditures. Really there should be only one controlling factor—efficiency; for an inefficient system could not be an economical one. If economy was the controlling factor, then scrap our Navy, dismiss the Army, and not spend any money at all. The argument for economy as to the national defense could be reduced to an absurdity.

The proponents for this consolidation say such an argument is unfair to them, that they do not want to destroy our Army and Navy but merely to cut out useless or extravagant expenditures. Then this bill is not necessary, for Congress holds the purse strings and the War and Navy Departments can receive only what is given them by Congress. Committees of Congress have sat patiently for four months working out this very problem after exhaustive hearings and testimony from experts. What experts on the subject of military defense appeared before the Economy Committee and urged such a consolidation as is proposed? How long was this particular subject considered by the Economy Committee? There are 10 titles in the bill, and the Economy Committee has not been in existence two months. There is no way to find out the answers to these questions, for I have not been able to get a copy of the hearings, if there were any. The report of the committee is not very illuminating. It merely says:

It is expected that such savings as may be effected will arrive by reason of a reduction in the administrative expense and the cost of material and supplies. It is impossible to state just what amount will be saved as a result of this consolidation, but it is estimated from \$50,000,000 to \$100,000,000 per annum may be saved should the provisions of this title be put into effect.

Who estimated this saving, and upon what did he base it? The President, who is the head of our Army and Navy, is quoted by the papers as being against it, so he could not have given the committee the benefit of his great knowledge on the subject. The naval and military experts of the country are not in favor of it, so it is not reasonable to say that the committee based their decision upon the full and accurate knowledge of military experts. Could the members of the Economy Committee in a few weeks, without any information from our military authorities, have decided this question among themselves? It would hardly appear reasonable that any committee would suggest that the House pass this proposal without further authority than this.

And how was the estimated saving obtained? There are no figures given. There is no reference to the various items of the saving or the particulars of same. Did the committee pluck the wide variation of fifty millions of dollars—"from \$50,000,000 to \$100,000,000"—out of thin air and put it down? Surely not. They would not have done that. But they must have had some figures somewhere in order to make up this total saving. No; they themselves admit that "it is impossible to state just what amount will be saved." Never before in my experience in this House has any committee come before the House with such a striking and unusual statement.

But the committee says the saving will be effected by a reduction in (1) administrative expense, and (2) the cost of material and supplies.

As to saving expenses by the proposed plan of administration, there will be five departments where there are now three. We have now a "head of the national defense" in the person of the President of the United States. Our Constitution says, "The President shall be Commander in Chief of the Army and Navy of the United States." He is the controlling and responsible head of our Military Establishment, and the Secretaries of the Army and Navy must report to him. Under this experimental plan a new department—aviation—is created, so that three instead of two heads of departments must report to a new head, the secretary of the national defense; and he in turn must report to the President. Such roundabout procedure could not be conducive to

economy. The Army and Navy are now reduced to a minimum of expense, dependent upon the appropriation of Congress as to the amount they expend, and here it is proposed to create another department as an intervening division between the President and the Army and Navy heads, and claim there will be less money spent. The amount necessary to set up this new department will of itself prevent economy. This new department must have its staff and its quarters and a large force of employees, and it can safely be estimated that such a department would result in an added expense of maybe half a million dollars instead of a decrease.

The creation of a new department of aviation would also tend to increase expense of administration necessarily for the same process of reasoning applies. There would have to be an enlarged staff, enlarged quarters, and more employees for it to function properly. It is the experience of all bureaucratic government that the more bureaus there are the greater the expense. Now when we are trying to eliminate some departments, it is strange that the proposal of creating new ones should be brought up.

As to saving expense in the purchase of materials and supplies, this would require a very exhaustive study of the entire question, for there are many angles to it. It has been studied for years by military experts, but it has been found almost impossible to arrange for a central purchasing system for both because of the varied uses of the materials needed for each arm of the service. The small arms, machine guns, and fieldpieces for the Navy are already manufactured by the Army, and the Navy obtains them from the Army. The President, as the Commander in Chief, might work out a trial of such a system, with the assistance of the Army and Navy chiefs, and such a plan might be studied in detail and recommended to Congress at the next session. No law is needed for the President to direct such a study and base his recommendations thereon after due deliberation. It is not necessary to set up a superstaff to have this done. There are, however, already in existence "several agencies for avoiding duplication and insuring coordination." To mention some: The Joint Army and Navy Board, the Aeronautical Board, and a joint Army and Navy planning committee. We also have a General Supply Committee.

The plan proposed would undoubtedly result in such confusion that no economy could or would ensue.

As to efficiency resulting from this plan, the contrary would result. Some go so far as to say that efficiency should not be decreased even if economy might be served. There is a great deal in the view that economy should not be achieved at the expense of efficiency. You must remember that a military service is constituted for purposes of defense in time of need. If it is not efficient, the resultant damage for lack of an efficient fighting force is greater—far greater—in the end than if it had been kept in a state of efficiency. The very efficiency of our Military Establishment stands for economy when the necessity arises for its use. Its efficiency is an insurance that there will be less damage, less cost, and less loss when and if the system has to be put into operation.

There are certain places where the Army and Navy have adjacent locations, but there are not many. Even where they are adjacent, few of these locations have sufficient area for expansion. The Navy must have its operations near the sea, and many of the operations of the land forces are inland. If the land forces were brought to the Navy locations, there would be such congestion that neither economy nor efficiency would be promoted, and, of course, the naval operations could not be carried inland.

When the creation of a third branch of the service is brought into the picture, the confusion becomes greater. Admiral Moffett, United States Navy, Chief of the Bureau of Aeronautics, Navy Department, made such a convincing statement before the Committee on Expenditures of the House of Representatives on February 6, 1932, that I take the liberty of quoting him. He said, in part:

The proposed plan would result in greater expense, because the creation of a separate air service would require a large additional

air department or organization, similar to the War and Navy Departments, including auxiliary services—supply, medical, etc.

The amalgamation of naval air stations with Army air stations and repair depots will not decrease operating personnel. It will neither decrease military operations nor work to be done.

In the continental limits of the United States, the Navy is restricted by law to 6 heavier-than-air stations, and of these 6, 2 are fleet air bases fronting deep water where fleet vessels load and unload. The personnel of these two repair bases is composed almost entirely of enlisted men who are being trained as able naval aviation mechanics and are rotated periodically between the fleet and air stations. Such is not the case in the Army. In the time of an emergency, they are the available trained nucleus around which rapid technical-personnel expansion takes place for providing the necessary force for commandeered fleet aviation-repair vessels, improvised carriers, and advanced war repair bases.

The general supply problem is distinctive for each service. Military aviation operates under the Air Corps separately in procedure and personnel from the Regular Army. Its system is excellent and well adapted for military aviation. Naval aviation supply operates directly under the general naval supply system.

The general supply problem for military and naval aviation, especially in peace time, is distinctly different. The Army's set-up is separate from the Regular Army; in the Navy the regular naval supply officer functions for both the regular naval supplies and naval aviation supplies. The same disbursing officer pays the naval aviator that pays the regular naval officer.

To be of real value, the personnel in both the Army and Navy air forces must not only be aviators but must be also soldiers and sailors, thoroughly conversant each with his own arm. Flying of itself alone is of no value. The personnel in the planes are what count, and they must be either soldiers or sailors; they can not be both. It takes years of training to make a Navy man, and additional training to make a naval aviator of real value. We must not forget that a naval aviator is also required to be a naval officer—navigator, seaman, gunnery officer, engineer, radio, and line officer. They must pass the same kind of examinations for promotion as is required of other naval officers.

It would be easier and more practicable for soldiers to man ships than to have Army aviators man naval aircraft, and vice versa. Each is a naval or military specialty in itself. The combination of the two services—the Army Air Corps and the Naval Air Service—would result in inefficiency for both and disaster during war. Aviation is a new war arm. It is, therefore, necessary that both the Army and Navy become thoroughly acquainted with it, and that especially all the personnel of the Navy become familiar with this new weapon and its use. The only way to do this is not to separate aviation and its control in any way from the Navy.

Defeat and disaster due to an undue stress on economy would be more expensive than an efficiency that would function properly and prevent disastrous and calamitous results. The people of this country have been taught this lesson more than once, but as long as we must have a military establishment, then let us have an efficient one.

Peace is greatly to be desired—everyone wants peace—but men have fought since the time of Cain and Abel, and there are more portents and signs of war to-day than there were in 1914. The United States has never fought a war of aggression and it never will. But it must be prepared to defend its flag, its commerce, and its people. The United States will make every effort for disarmament in agreement with the other nations of the world. It will agree to reduce its armament to an equality with any other nation and it will not regard its agreement as a "scrap of paper," but it will not throw away its arms and leave itself defenseless from attack by other nations who do not agree to discard their arms, notwithstanding some misguided pacifists are willing to court disaster in this manner.

In conclusion, this plan is not necessary. Our Army and Navy are in a high state of efficiency and every economy is being used by agencies already in existence. Such agencies are promoting economy far better than could be done under the proposed plan. As it now stands the President is the head of the national defense and does not need a subhead through whom reports may be transmitted from the Army and Navy.

Nor is a separate department for aviation necessary. Good results are being obtained under the present arrangement. England, it is true, has a separate air force, and Admiral Beattie was forced to conclude that if the three forces were reduced to two that "we should save millions of public money with greater efficiency as in the United States."

For more than a century and a quarter we have gone along under our present system. In that time many studies have been made of this question and after each investigation

it has been decided that any change of the system would be less economical and less efficient. The report of the Morrow Board was to that effect. This board was composed of Members of the House and Senate, high-ranking officers of the Army and Navy, and three distinguished citizens of the United States. This board unanimously disapproved such an organization as is proposed. The War Department and the Navy Department have made exhaustive studies of the subject and reached the same conclusion. Other nations have studied the subject and turned it down. Have we civilian Members of Congress studied it sufficiently to disregard the unanimous verdict of all military experts throughout the world?

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. DREWRY. Certainly.

Mr. VINSON of Georgia. Is it not a fact that neither Great Britain, France, Japan, or Italy has a department of national defense, as suggested in this bill, and is it not a fact that they have a separate army head and a separate navy head?

Mr. DREWRY. Unquestionably that is a fact. The reason they have a system of that kind is that they have very largely adopted the system of the United States.

In 1798 we changed our ideas of national defense as far as the system went and since that time other countries have followed us, and we have to-day the countries that are standing foremost in the world with this kind of defense.

Mr. HOUSTON of Hawaii. Will the gentleman yield?

Mr. DREWRY. Yes.

Mr. HOUSTON of Hawaii. May I make this one observation? That the German Government is the only one which had any semblance of a national defense department, which was headed by the Kaiser himself, and it was because of that very same fact that the Germans lost the war?

Mr. LA GUARDIA. But it took the whole world to lick them.

Mr. DREWRY. I did not yield to more than one gentleman.

It is purely an experiment. Surely this is no time to be experimenting with the national defense. Our economic situation precludes us from experiments. Experiments are costly. If it should be tried and the result were unfavorable, the loss would be so great that we should be pushed just that much deeper in the mire of the present depression.

Every authority says that the proposed plan is not economical and not efficient. I for one am forced to the conclusion that they are right. It would not promote economy nor efficiency.

Mr. COLLINS rose.

The CHAIRMAN. The gentleman from Mississippi is recognized against the amendment for five minutes.

Mr. COLLINS. Mr. Chairman, in the consideration of this proposition there are two principles which ought to be borne in mind by the membership of this House. The first is to provide a larger measure of national military defense than we have now and the second is to accomplish that at a lessened cost.

During the war we had in existence substantially just what is being proposed here to-day. We found that the Army was placing orders with the industries of the country and prescribing independent priorities as to such orders. We also found that they were asking priorities of the railroad companies of the country.

The Navy was doing identically the same thing without any consideration whatever as to the orders or priorities thereon that were asked by the Army, with the result that industry and transportation were so completely tied up in this country that President Wilson was forced to establish the War Industries Board to regulate and supervise procurement and transportation so as to enable this country expeditiously to get its commodities to ports and so that the industries of the country could cooperate intelligently and avoid having everything tied up in a confused mass that seemed for a time impossible to untangle.

The proposal here is to create an orderly, business method of national defense. That is the first proposal. And

whether you like it or not, whether it is done here to-day or not, the next time we have a war, if such an unfortunate thing should happen to us, we are going to carry on that war as we carried on the last one, by a unified service.

It was testified this summer before the War Policies Commission, of which I happened to be a member, that if Mr. Baruch had continued his activities one month longer, he would not have been Mr. Baruch but General Baruch, showing that the tendency was continually toward a unified control.

Now, with reference to the second proposal, the one of economy. Considerable has been said about the Air Service. Let me read you what General Fechet last year told the Appropriations Committee of the House:

Mr. COLLINS. I want to ask one more question, before I forget it. The Government appropriates money for the Air Corps of the Army and the Air Corps of the Navy. I imagine that the appropriation for the Navy for all air activities is about the same as the appropriation for the Army, around \$70,000,000. What is your opinion about the adequacy of that sum of money to provide an adequate air force for this Government?

General FECHET. I am firmly convinced that the United States is spending enough money to-day to provide it with an adequate national defense; but, in my opinion, it is not being properly spent.

There is an indictment of your system that you can not get away from. We are spending enough money and we are appropriating enough money, but it is being spent in a manner that should not be encouraged. There is duplication of experimentation, duplication of air activities, duplication of procurement; in fact, duplication confronts us practically at every turn—in radio communication, in the manufacture of clothing, in the production of munitions, in hospitalization, in water transportation, in public-works personnel, and in disbursing and accounting.

Out here at Bolling Field you have two airports immediately adjoining. The same is true at San Diego and at Pearl Harbor. That means duplicated guards, duplicated everything. Go to New York City and see your port facilities there. You have an Army base and a Navy base. Anybody that is conversant with the two knows very well that the Army base is adequate to accommodate both the Navy and the Army.

It is said that the President is opposed to this consolidation. I wonder to what extent that is true. As recently as April, 1924, Mr. Hoover, as Secretary of Commerce, in a letter to Representative McSwain, of South Carolina, relative to a bill in respect to organization and mobilization of industry and the civil population generally in war, stated:

"I would, therefore, create an administrator of munitions . . . and would provide that the munitions division of the Army and Navy should be immediately transferred to his direction . . ."

When you remove munitions from dual administration, little else besides personnel remains.

Mr. Chairman, I do not know of but one excuse for the failure of this provision, and that is that the social lobby in Washington does not want it. I fear that this factor has much to do with some of the opposition that has been manifested.

[Here the gavel fell.]

Mr. GRIFFIN. Mr. Chairman, I rise in support of the Martin amendment and ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Chairman, I would like to announce that I do not want to be put in the embarrassing position of declining to yield in the limited time I have to present my views, and therefore beg to be pardoned if I request that I be not asked to yield.

The consolidation of the War and Navy Departments is a favorite obsession with so-called efficiency experts. The Economy Committee has evidently fallen under their spell.

The argument for the plan purports to stand on two grounds—economy and efficiency in actual service.

As to economy, not a single speaker for this proposal has given any satisfactory detail to show how the alleged econo-

mies may be effected; but even if it did appear that a few economies in administration might ensue, the disadvantages and dangers involved would more than overbalance any alleged saving.

There is something higher and nobler than economy when the interests of our country are involved. Economy can not enter into this problem. This is a problem that will not yield to any mere formula of business thrift or penuriousness.

There is not a single suggestion for saving in administration and in the purchase of supplies that has not been answered and adequately met in the exigencies of war, even under the existing arrangement. It is rather far-fetched and straining at a gnat that because we had a war-purchasing board in the World War we ought therefore to consolidate the two branches of defense.

No one has shown where any substantial saving can be made. Is it in personnel? Hardly. It is surely not intended under the unified plan to reduce the personnel either of the Army or Navy. Is it ordnance? We will still need the same number of guns, the same amount of supplies, of rifles and ammunition, of shot and shell. Is it uniforms or equipage? We will still need the same number of uniforms, the same equipage and equipments. Narrowing the inquiry down, we find that the only avenue in which any savings whatever might be made lies in administration—and some even question whether that is either a probability or a possibility.

The last speaker, the gentleman from Mississippi [Mr. COLLINS], emphasized the difficulties that we were in during the World War and made a good argument for unity; but have we not unity under the existing system? The President of the United States is the Commander in Chief of both forces—the Army and the Navy—and in every war he has exercised his prerogative to coordinate the two branches of defense, and particularly in the World War. This is sufficient. It is not necessary to divide and segregate these departments. Such a plan, if carried into effect, would imperil the future of our country. You would be putting all your eggs in one basket.

My theory, viewing the proposal from the standpoint of history, is that two heads are better than one. In our political system, as heads of executive departments are selected, there is a better chance of getting one good head; that is, making one good shot out of two tries than a bull's-eye out of only one try. The Navy Department deals with problems of the most difficult and intricate character. You might get a man in the Navy who would properly control both departments, but it might be impossible to get a man from the Army to properly control both departments.

The Navy in our history has always been efficient. It has always been prepared. In the War of 1812 General Hull surrendered his army without firing a shot, while his nephew in the Navy, fought the *Constitution* to a great victory over the *Guerriere*.

In the Spanish-American War we witnessed a glaring instance of how our success was imperiled by the inefficiency of the heads of the War Department. The soldiers were improperly armed, equipped, fed, and cared for. Whole regiments were sent to the front with obsolete Springfield rifles to combat an army that was equipped with the latest magazine rifles and smokeless powder. The medical department was a disgrace, and thousands of men were sacrificed to disease owing to the want of proper preparation.

On the other hand, the Navy Department was adequately equipped and prepared for action; so that, within a few days after war was declared, Dewey was on his way to the Philippines. The men of the Navy were adequately clothed and fed. There were no complaints about embalmed beef or lack of medical supplies and attention. Suppose the Navy Department had the same sort of brains at its head as politics vouchsafed to the Department of War!

I would recommend that the Economy Committee and others interested read the *Martial Spirit*, by Walter Millis.

In the Civil War, if it had not been for the efficiency of the Navy, under separate control, General Grant would

never have been able to make his historic capture of Forts Henry and Donelson. General Halleck was a skilled military strategist. He had written books on military strategy, and was supposed to know how campaigns should be planned and conducted, but he could not grasp the proposal of Grant to capture Forts Henry and Donelson. General Grant got in touch with Admiral Foote, and Foote was prepared to take Grant's Army down and make the attack. So it was all through the Civil War—blunders on the part of the Army, efficiency on the part of the Navy. Better keep them separate and allow the President, as Commander in Chief, to coordinate them as the occasion requires.

In the World War the same conditions of inefficiency prevailed until the President intervened and brought order out of chaos. Read Pershing's Memoirs on that subject. [Applause.]

Mr. CHIPERFIELD. Mr. Chairman, I consider Title VI now under consideration to consolidate the operations of the Army, Navy, and air forces under a single department of national defense, as about the most unfortunate proposition that could be presented to Congress at this time, and particularly when it comes in this form and with the slight consideration and discussion that can now be given to it.

The proposition to make such a consolidation is refuted by all of the glorious history of our country, on land and on sea. [Applause.]

I am well aware there are those who would seek to minimize the accomplishments of our Armies and our Navies, but every war has shown us that as to both the Army and Navy a divided responsibility, a separate command for each, but yet with the fine cooperation between them that history records, has produced outstanding results to which the whole world had paid acclaim and of which every American citizen may be proud.

I am not going to consider now the question of economy, as time forbids, but it is the consensus of opinion of those who are informed that to maintain an air force for the Army and an air force for the Navy and an independent air force will cost just as much, whether they are under unified control or operated separately. Likewise the cost of feeding, clothing, and transporting soldiers and sailors would be no less if they should be placed under a single department of national defense.

The reason I am not going to consider the alleged economy involved is because I do not propose to set off proposed and uncertain economy against the lives of our soldiers and sailors, against their blood, and against the security of our shores and the welfare of our Nation in time of war. [Applause.]

We have had experiences from the past that it seems to me should guide our steps now. All of them are against the proposed consolidation.

I lay down the proposition without the slightest hesitation that there is no man on this continent to-day who is large enough or who is so constituted mentally or by reason of training and education that he could exercise at the same time unified control and command over the Army and the Navy and the air forces of the Nation. There is no man living so constituted that he is mentally and temperamentally sufficiently unbiased with reference to the various branches of the service that he could apply principles of justice and fairness to each of them without displaying a preference for one over the other.

It is true that there is no man of such gigantic capacity who could successfully and at the same time direct in time of war our forces on land and those on the sea; nor could he understand the perplexing problems of each and the principles of combat which would apply to both.

It is true, Mr. Chairman, there is nothing that is more serious and nerve racking to contemplate or witness in its operation than the staff of either an army or a navy in time of national stress and warfare, and that is all we are maintaining an army and a navy for—to provide security and protection for the days when the life and the welfare of the Nation are threatened by war. Such a situation demands

the last atom of capacity and ability and attention and energy which is possible to be given by each and every man constituting such a staff. They well know and understand that the welfare and safety of those engaged in warfare, as well as the security of the Nation, depends upon the successful accomplishment by them of their task.

A staff engaged in the problem of furnishing supplies, conducting transportation, making available munitions for battle, and working out the problems of combat for a force which may extend over a front of many miles, has no time under such conditions to deal with the problems that may confront the Navy and a combat on the seas.

The proper conduct of an efficient staff in time of war means that every man is being used at his highest power, and to the greatest advantage for the purpose of solving the problems that lie before it.

It is perfectly apparent there is no staff or organization that could be perfected that would be competent in time of war to handle the manifold problems of the Army and at the same time those of the Navy and air forces without breaking down, signally failing, and bringing disaster to our Nation. [Applause.] This of necessity comes from the varied and different conditions under which an army and a navy would operate and from the great distance that frequently would separate them in their respective activities.

I say to you, that an organization which places an army under a competent leader and staff, and a navy under a competent leader and staff can deal better with the perplexing problems of war than would be possible under a single department of national defense.

We should not engage in an untried experiment that is fraught with such terrible consequences at this time when the judgment of the military experts of the world and our own experience is recorded against it.

Can any man conceive how the pages of history would be changed if Wellington had been in command of the land and naval forces of England; and likewise what might have been the result if Lord Nelson had not only commanded the navy but the army? It would have been a "confusion worse confounded."

One can not contemplate such a situation with the slightest composure. [Applause.]

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, during the last Congress a commission was appointed consisting of 6 Cabinet members, 4 Members of the Senate, and 4 Members of the House, known as the War Policies Commission.

I had the privilege of serving on that commission. There appeared before that commission, introduced by the present Secretary of War, Barney Baruch, who during the war was chairman of the War Industries Board. He was a man who performed signal service for his country and was honored by his country and by foreign nations. In five minutes it is impossible for me to go into his testimony at any great length, but I believe it would be worth while for every Member of this House, and, for that matter, for every man and woman in the country, to read the statement and testimony of Barney Baruch.

It was given more than 10 years after the war closed, made calmly; and with the interest of his country at heart, he pointed out to the commission the handicap under which this country entered the World War.

While the commission was limited by authority of the resolution appointing it, and they gave consideration more especially to supplies, yet I believe there is no man that can read the testimony of Barney Baruch and fail to come to the conclusion that the thing we need in the interest of public defense and economy is the combination of all arms of defense into one general department of national defense. [Applause.]

I do not know how much money can be saved, but let me say to you gentlemen that the man who had charge of the purchasing of war supplies for the World War testified before our committee that if we had had a uniform system of purchasing supplies—and the gentleman from Oregon [Mr. MARTIN] says that this bill would ruin the efficiency of

the Army and Navy. Listen to the words of the man who purchased the supplies in the World War. He says:

It would reduce the cost of war by 50 per cent and I believe by an even greater figure.

[Applause.]

Mr. BRITTEN. Will the gentleman yield?

Mr. HOLADAY. No; I can not yield. I have only five minutes. I am giving you his statement, the statement of the man who had the duty of purchasing these supplies, a statement made 10 years after the close of the war.

Have you ever stopped to think that if another war comes the thing that is proposed to be done in this bill will in effect be done, and that it will be absolutely necessary before all of our arms of national defense can begin to function that there be a single head to direct?

Combining the War Department and the Navy Department into one department of national defense should be done not only in the interest of economy, but in the interest of our national defense. [Applause.]

Mr. SCHAFER. Mr. Chairman, I rise in support of the amendment. In five minutes one can barely scratch the surface of this important proposition. It is ridiculous to expect the Members of Congress to vote to change drastically the old established policy of our national defense, which carried us successfully through the World War, after a brief consideration allowed under this economy bill. If, as the previous speaker stated, Mr. Barney Baruch indicated that we must follow this proposition in order to maintain an adequate defense, then why during the World War did not the Democratic administration of Mr. Baruch consolidate the Army and the Navy? The gentleman from Massachusetts [Mr. CONNERY], in support of the Army and Navy consolidation, indicated that the allied forces on land were under the concentrated direction of General Foch.

Is that an argument in favor of consolidating the Army and the Navy? The navies of the nations engaged in the conflict on the side of the Allies in the World War were not united with the armies under the central, unified control of General Foch. Therefore, if Mr. CONNERY looks to the World War for a precedent upon which to predicate his position on the pending consolidation, he should oppose it instead of supporting it. As the gentleman from Oregon [Mr. MARTIN] has indicated, the Committee on Expenditures in the Executive Departments held extensive hearings on this Army and Navy consolidation proposition. Only two witnesses appeared in favor of the bill, Mr. BYRNS, the author, and Mr. WILLIAMSON, who is the real author of this consolidation, whose bill Mr. BYRNS copied practically in toto.

Mr. BYRNS. The gentleman ought not to make that statement, because it is not so.

Mr. SCHAFER. Who else testified before that committee in favor of the consolidation?

Mr. BYRNS. I am talking about the bill and the statement about it that the gentleman just made.

Mr. SCHAFER. In the last Congress Mr. WILLIAMSON introduced a bill.

Mr. BYRNS. The gentleman said that I copied that bill, and that is not true.

Mr. SCHAFER. Well, your bill was introduced after his, anyhow, and the gentleman can not deny that. The latest author of the Army and Navy consolidation bill, the gentleman from Tennessee [Mr. BYRNS] appeared before the Committee on Expenditures in the Executive Departments with the cry of economy and testified how much savings were going to be had. If any Member of the House ought to know if any savings can be had and where, then the chairman of the Committee on Appropriations, who has been on that committee for many years, appropriating for the Army and Navy, ought to have some tangible, definite idea; but he, in answer to a question, indicated that he could not put his finger on any tangible saving.

The Expenditures Committee, after careful and lengthy consideration, voted to kill the Byrns consolidation bill.

In the Economy Committee report on this drastic policy of overturning our national-defense policy there is but one

paragraph with reference to this title of the economy bill. The report of the Economy Committee does not even inform the Members of the House that they could obtain a copy of those hearings which the Committee on Expenditures held. It is rather remarkable that on this radical change of our policy of national defense, the Economy Committee report on this bill was not available until the morning that the bill was first considered. There is just one brief paragraph on the Army and Navy consolidation in that report and no printed hearings on the economy bill available, and the Members of the House of Representatives are now asked to vote for the Army and Navy consolidation monstrosity, which was killed after hearings and many days of executive sessions in the Committee on Expenditures in the Executive Departments. Is it any wonder that many people in America are tempted to hold this Congress in disrespect? No one except the gentleman from Tennessee [Mr. BYRNS], the author, and the gentleman from South Dakota [Mr. WILLIAMSON] testified in favor of this consolidation.

Are we going to follow that kind of economy hysteria? Mr. BYRNS stands one way to-day on the consolidation and another way to-morrow, just as he did on the Interior Department appropriation bill. Before our committee he was going to save \$200,000,000, but could not definitely point to where one penny could be saved, and a couple of weeks later he signs the report of the Economy Committee and indicates that only about \$50,000,000 will be saved. If we want to follow that sort of economy, then we might just as well provide for an appropriation of \$1 for these establishments; and if there is a future war, hire the Mexican Army and the Chinese Navy and put all of our admirals and generals who know something about fighting into the ranks of the unemployed, place the Mexican Army and the Chinese Navy in charge of Admiral BYRNS, Gen. Barney Baruch, and General WILLIAMSON and tell them to fight the enemy, save the lives of our people and the Nation. This consolidation gives one Cabinet officer unlimited authority to consolidate, eliminate, expand, and create, and practically do anything he desires with the War Department and Navy Department, and almost a billion dollars a year expended for our national defense. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. LAGUARDIA. Mr. Chairman, if there is one subject in this bill that any Member of this House who is studious and follows legislation could obtain information about, it is this subject. The matter of the consolidation of the Army and the Navy has been before Congress for many years. It became very acute and has been discussed from the time of the General Mitchell court-martial. I can not in this minute discuss the strategy of the next war, but anyone who keeps informed on modern weapons of warfare must know that the safest place in the next war will be in the first-line trench. Every city will be the target of attack. Every woman, child, and noncombatant under continuous danger of life. The next war will be terrible, terrifying, and cruel. In every emergency we have had, we have had considerable loss of time, energy, and money by reason of the conflict between the two branches of the national defense. Mr. Chairman, one of the first orders issued after a few months of wrangling in the World War was to put a unified command in every place where it was possible. The marines fought at Chateau-Thierry just as well under a military command as the Army transport cooperated under naval command for the transportation of troops. The Navy manned the big siege guns on the western front efficiently and effectively under the Army. If there is one subject that we have complete information on, it is this item in the bill. Gentlemen have been asking for a bill of particulars. The cost of ordnance in the Army alone is \$10,000,000, and \$12,000,000 in the Navy; considering obsolescence, repairs, experiment cost, necessary reserve, we could save in those items alone \$5,000,000. In the Medical Corps maintenance, supplies, housing, hospitals, we could save at least \$1,000,000, and that is a conservative estimate.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. LA GUARDIA. I am sorry. I can not.

Mr. WILLIAM E. HULL. Tell us how it could be saved.

Mr. LA GUARDIA. In the purchase of supplies, food and clothing, nonmilitary supplies, or let us call it the business end of the Army and Navy, there is an item of \$110,000,000 in the Army and Navy. Conceding a saving of 5 per cent alone, there is \$5,500,000.

In aviation, preliminary training, supplies, equipment, maintenance, we are spending during the current fiscal year for Army, \$31,000,000; Navy, \$31,000,000. We can save from fifteen to eighteen million dollars there. No one can contradict that figure, with the experience we have had in aviation.

Mr. BULWINKLE. Will the gentleman yield?

Mr. LA GUARDIA. I am sorry. I do not have time.

In the matter of transportation and communication there would be a saving. The total cost is \$19,000,000. There would be a saving of at least \$1,000,000.

In overhead and administration, a combined cost of \$11,000,000. Surely we can save \$1,100,000.

For years, by reason of the new weapons of warfare, there has been a conflict as to who should take jurisdiction over the coast defense. The Navy claims jurisdiction over the coast defense. The Army claims jurisdiction over the coast defense. We know that the attack will be from the air and under the water, and the only way to solve that controversy is to establish one national defense, and let that unified command have complete power and responsibility of our coast defense.

Mr. Chairman, so much has been stated to-day on this item, and some of the chief opponents of Army and Navy consolidation have been those who are willing to vote economies on matters with regard to which we had no information at all, let me say to my colleagues who have been criticizing me for trying to save the American family and the American scale of wages, if you want to economize, if you want to increase the efficiency of our national defense, here is the opportunity to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FRENCH. Mr. Chairman, I rise in favor of the amendment.

Mr. TABER. Will the gentleman yield for a question?

Mr. FRENCH. I yield.

Mr. TABER. I have been a member of the Subcommittee on Army Appropriations for four years and the Subcommittee on Navy Appropriations for nine years. I believe there is no saving that can be made by consolidation that can not be made without it, and I believe that consolidation will result in terrific increases in cost. [Applause.]

Mr. FRENCH. The great respect that I hold for the chairman of the committee, Mr. McDUFFIE, and his associates who have labored so earnestly in the preparation of a measure that seeks to reduce the expenditures of the National Government makes it exceedingly difficult for me to make any suggestion that is not in complete harmony with the recommendations of the committee.

However, when it is proposed that the two national defense arms of the Nation, the War and Navy Departments, be combined, the problem becomes so definite, so serious, that I must indicate to the House my thought upon the proposition.

From very close association with this subject during the last 10 years, and as one who believes in teamwork looking to the reduction of national armaments, I can not feel that the recommendation that is made by the committee is in the interest either of sound national policy or economy from the standpoint of the coming year or from the standpoint of any considerable number of years.

I am opposed to it because I believe that the essence of our Government institutions, with relation to any crisis, should be efficiency. I am opposed to it because there is to-day not a divided but a united national defense in our country, under one head, namely, the Commander in Chief, the President of the United States. [Applause.]

I am opposed to it because I believe that from the standpoint of economy it is a false trail.

The burden of proof is upon those who urge this title to show, item by item, where economies can be made.

CONTRARY TO EXPERIENCE OF NATIONS

The proposition of combining the War and Navy Departments is not new.

When our Government was organized, these two agencies of defense were one; but as the question was studied, it became apparent to the fathers within a very few years that a better plan would be to separate the two activities, with the result that during the administration of John Adams the Navy Department was created as a department distinct from the Department of War. Thus for 135 years it has been the established policy of the Government to maintain these two definite arms of our country's defense.

The policy of the United States is the policy that is followed by most great powers. I do not mean that this factor alone should be controlling, but I do mean that it should be impelling as a challenge to be sure of our ground before we make a change.

Following the World War Great Britain found herself burdened with enormous indebtedness and confronted with heavy annual financial responsibilities. How to reduce the expenditures of government was a serious problem, and in 1922 a committee was appointed by the British Government which gave intensive study to this question, with the result that the committee reported adversely upon the proposed union of the military and naval defenses of the British Government. A later study was made of the question. You will recall that during the last year the British Government was face to face with an economic crisis. Expenditures had to be reduced; ways had to be found for the budget to be balanced. Another examination was made to determine whether or not upon further consideration the war and navy departments of Great Britain could be combined. In spite of the stress of necessity for the saving of every expenditure, the decision was adverse upon this proposition.

Mr. PARKER of New York. Will the gentleman yield?

Mr. FRENCH. Briefly.

Mr. PARKER of New York. Does the gentleman know that the so-called Morrow Board, appointed by President Coolidge in 1926, which gave two months' study to the effect of consolidation of aviation in the Army and the Navy, a board of which the gentleman from Georgia and myself happened to be practically the only legislative members, found unanimously against the efficiency of consolidating those two services?

Mr. FRENCH. The statement is true, and I was about to refer to the study and the conclusion.

WHAT DOES THE PROPOSAL MEAN?

As we turn then to the proposition in the bill of combining the War and Navy Departments of Government we naturally ask, What does it mean? Does it mean reduction of officers and men? Does it mean the elimination of naval craft? Does it mean material modification of these two establishments? I think not.

These objects can be sought equally as well with the departments separate as though they were combined.

NOT IN THE INTEREST OF SOUND ECONOMY

In my judgment the proposed amalgamation of the departments is not in the interest of sound economy. If it were found to be contrary to best national policy, then any combination that we would make to-day would necessarily be temporary. If temporary, no justification in the name of economy can be urged.

It can not be sustained upon the basis of a temporary expediency for the reason that greater expenditures would need to be met in making adjustments between the two services than would be the cost of continuing the two services as they now are with whatever adjustments properly may be made to meet the present economic situation.

Economies can not be effected unless reductions may be made in personnel, in ships, in abandonment of plants and warehouses, in abandonment of matériel; but all of these

modifications would mean expenditures and not economies if the program were to be but temporary.

If, as I believe, the program is contrary to sound policy, then not only would ineffectual efforts be made to reduce the burden of expenditure during the next year or during the next several years, but added expenditures would be required in reassembling the disturbed branches of the establishment when separate departments again would be established.

WHERE WOULD ECONOMIES BE FOUND?

Would economies be found in personnel? Pay is the largest item of expense that enters into each branch of the service. Unless reduction in numbers of officers and enlisted and civilian personnel be made, this item would not be disturbed. As to pay, which is to-day more than two-thirds of the entire budget of the Navy and considerably more than that of the Army, the item would be no more, no less.

Would economies be found in construction or repair of ships? With the exception of a few transports or supply ships, tugs, dredges, and small harbor craft connected with the engineering work of the War Department, practically all the craft of the United States in her military establishments belong to the Navy. Ships are built in navy yards by private contract. Ships are repaired for the most part in navy yards under the Government, though the War and Navy Departments draw to some extent upon private establishments for this service. Each particular job is complete within itself. Whether bids or estimates be called for by an officer called the Secretary of National Defense or the Secretary of War or the Secretary of the Navy, it is difficult to see how there could be any differences whatever in this item.

More than that, under existing law, amplified in another section in the particular bill which we have before us for consideration, provision is made for the utilization of utilities and facilities of one department in the handling of work of other departments.

Would reduction be made in aircraft? In large part the air services of the Army and Navy are distinct; in part they are common. The Navy, generally speaking, has to do with activities at sea; the Army with activities over land areas. The Navy must have its airplane carriers, its repair ships, its flying decks, its catapults, its shore bases; with all of which the Army has nothing to do. On the other hand, the Army has its great landing stations or bases, its planes, its shops, its fields. There may be some duplication in certain types of planes that are interchangeable between Army and Navy.

To the extent that this may be true and to the extent that fields and training stations may be used in common, the problem of working out a united use is one that can be handled by the two departments quite as well as by the amalgamation of the two departments into one. It may be that upon this subject further studies should be made, but I believe that if we can work out a program of utilization of planes for certain types of Navy work that can be used interchangeably for Army and for Navy, the problem can be met quite as effectively under existing institutions as through the amalgamation of the two services.

Pilots must be trained differently. Navy pilots must be well versed in navigation, must know problems of the sea, must know technique not required of Army pilots; while, on the other hand, the Army pilot must know in a broad way problems that are peculiar to the Army.

Is it proposed to amalgamate the great training academies of the two institutions, West Point and Annapolis? This has been suggested. At West Point and at Annapolis the Government has invested millions of dollars.

What economy could possibly be served by the amalgamation of the two plants by the education for distinct careers of two groups of students as one? In order that Annapolis might take care of the enrollment at West Point you would need to enlarge the physical plant at Annapolis, or for West Point to handle the present enrollment at Annapolis you would need to enlarge the physical plant at West Point. Surely this course is not in the interest of economy.

Is it proposed that economies be effected in supplies? If so, I ask how? Clothing, shoes, uniforms for the different branches of the service—these articles are required in such abundance that upon the basis either of contract or of fabrication in shops, under the management of either department, it is difficult to see how economies could be served through amalgamation of the departments.

As to food supplies the problem is much the same. The great food stores necessary for the Army and for the Navy are purchased upon the basis of competitive bidding, and it is quite beyond reason to suppose that economies could be served through a united service.

It does not seem that economies could be served in the fabrication of guns or powder or other munitions. Establishments are already in existence under both departments. Investments have been made. And where we purchase, we do so by calling for bids and in large quantities. Were the particular products identical for both institutions, even then it would not be clear that economies could be attained through amalgamation. The War and Navy Departments do teamwork in purchases and the great guns of the Army were manufactured by the Navy.

This is a problem of administration, and it can be handled under present conditions with the effectiveness that it could be handled under a united service.

I have given considerable attention to the study of proposals that in the flying fields of the two services and in the warehouses economies might be effected through amalgamation. It is very possible that there is some slack here that but for present investments could be saved. But again the problem, in my judgment, can be handled by administration. We must approach the question from the standpoint of present investments, and in handling the problem we must determine whether we have not more to lose through the scrapping of established landing fields and buildings and the expansion and modification of other fields and plants so that they will meet the needs of both services.

As regards medical officers and hospital facilities, where it has been suggested that we have an excessive number of both, and in the latter an unjustifiable investment, may I say that the medical departments of both services are not maintained upon the basis of existing officer and enlisted strength of either service. Adequate hospitals can not be maintained that have bed capacities that under normal times are absolutely filled. There ought to be free beds at all times, so that in event of epidemic, in event of emergency, those who are afflicted may receive care. What is true of hospital facilities is true of medical and dental officers. It would be true under any plan.

THE PRESIDENT AND NATIONAL DEFENSE

Consider again the question of holding these two services separate or amalgamating them from the standpoint of the President of the United States. The President of the United States by the Constitution is the Commander in Chief of the military and naval forces of our country.

The defenses of the United States involve a problem of such magnitude that unquestionably recognition of Cabinet rank should be given to the one immediately responsible to the President.

In part, the two services are alike; that is, both services exist for the defense of the United States; but, in part, they are distinct. From the standpoint of technique, they are separate services and must always remain so. But from either standpoint, either that of technique of the two services or the magnitude of the problem of the welfare of our country, it is sound policy that two strong men, and not one, constitute the President's responsible advisers.

More than that, were you to amalgamate the two departments into one and create one Cabinet officer you would have confused the issue. You would have removed the War and Navy Departments one step further from the President of the United States, and thus you would have lessened his responsibility.

That the activities might function with highest efficiency there would need to be not only one strong man—a sort of

superman—to fill the office of secretary of national defense but there would need to be three strong assistant secretaries to the secretary of national defense who would be at the head of their respective services, but who would not have places at the President's table. The Commander in Chief of the forces of the United States thus would be compelled to listen, so far as the Cabinet meetings were concerned, to the Cabinet officer who might be impressed unduly with the Army or with the Navy or with the air service, whereas he ought to have as his advisors Cabinet officers capable of viewing both the Army and the Navy together, with the effect that the air service of each would have upon the situation.

So important and fundamental do I regard this aspect of the question that in my judgment the President would be compelled to have a sort of private conference table where would sit from time to time not the Secretary of National Defense but the Assistant Secretary for War, the Assistant Secretary of the Navy, and the Assistant Secretary for Air that you propose to create, and it might be that he would need to rely more upon the judgment of these advisers than upon the adviser who would fill the position of member of the Cabinet.

Finally, in my judgment, we must have regard for the esprit de corps of officers and men. We must respect at least the traditions of the past. We must have regard for that friendly and admirable rivalry that exists, that always has existed, and that for the attainment of greatest efficiency ought to carry on. Nothing is more fundamental than that when men, even of considerable ability and genius, have been stripped in large measure of the necessity of constantly being upon their toes in order that they may attain the greatest success and outdo their competitors they slump back, they retrograde. It would be true here. One of the finest factors making for the success of the Army and Navy of the United States is the healthy rivalry that has as its objective not personal preferment but exceptional attainment in a great program that strives to answer the question which of these activities can serve best, which can give most to the country to which they are dedicated? [Applause.]

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. COLTON. Mr. Chairman, I presume that a large majority of the members of this committee were in the same frame of mind when we started consideration of this amendment that I was, as a member of the Committee on Expenditures in the Executive Departments when we commenced our hearings on this same bill. If I had any inclination or any bias in the beginning, I was inclined to consolidate the Army and Navy. We went into this matter for many, many weeks. We studied the question with a view of effecting economies and from the standpoint of efficiency. It is a big problem and can not be lightly treated. The future welfare of this country, in some respects, is at stake. I therefore trust you will weigh well your action on this amendment.

Our committee gave careful study and careful consideration. It was an intensive study. At the end I came to the conclusion that there is no real justification for the consolidation of these two great departments. Suppose there is a little overlapping here and there, as perhaps there is in the purchasing of supplies. When you go into that, however, you will find it has been greatly magnified. The unnecessary duplication of expenses has been greatly exaggerated. There is very little that could be said in criticism along that line, the statement of the gentleman from New York to the contrary notwithstanding. He took his figures, I am sure, from the hearings of the Appropriations Committee. They show appropriations and not savings.

I am also persuaded that this matter of little differences that have arisen between these two departments is a minor matter. There are already constituted and organized in the Army and Navy joint boards which handle these problems, which work out these differences; and over a long series of years, since the creation of these boards, very, very few dis-

putes have ever gone up to the President for settlement. These joint boards of the Army and Navy are doing good work.

These boards are working together. Surely the Secretary of National Defense could not do more than the President can do. Moreover, the Chief Executive is already in a position now to settle these troubles any time anything of importance or moment arises. The greatest test, after all, is whether we get results. Our history in war times and in peace times shows that we do get results. With all our little mistakes our record is a glorious one and one of which we can be proud.

The creation of this supersecretary, or the Secretary of National Defense, with all his necessary help, would not save anything that we could find. As I said, we were unbiased and unprejudiced and went into the proposition carefully. What would follow? You would have to have an Assistant Secretary of War with his staff; you would have to have an Assistant Secretary of the Navy with his staff; an assistant Secretary of Aviation with his staff; then you would have to have the Secretary of National Defense with his staff, and the sum total is, you have added to, instead of subtracting from, the personnel and expense.

Other nations have made investigations and studies of this and they have discarded it as not being a proper method of handling the Army and Navy.

Mr. BRITTEN. Will the gentleman yield?

Mr. COLTON. I yield for a very brief question.

Mr. BRITTEN. Does not the gentleman agree with me that if it were not for the advocates of a combined air service this proposition would not get 15 votes in the House of Representatives?

Mr. COLTON. I think there is a good deal to what the gentleman has said. I feel sure that if careful study is made of the whole subject, this motion to strike out the title will prevail.

These are two distinct services. There is overlapping, ladies and gentlemen, between the Interior Department and the Agricultural Department. In the very nature of things they do similar work in some lines. Would you combine them because of that? We have given the President, in a previous title, the right to organize coordinating services, services along the same line, but do hope you will not mistake this proposition and say that because the Army and the Navy are both engaged in national defense, that they run along the same lines. Some make the mistake in believing that the two departments do the same work.

They do not. The basic unit of the Army is the man with the gun. Around the Infantry we build our plan of defense. Other branches are aids to the man in the Infantry. He serves a distinct purpose in the plan of defense. In the Navy you have an entirely different proposition. The basic unit in the Navy is the vessel or the battleship. The two engineering propositions are entirely different. You might just as well take any other two departments of government and combine them.

Mr. Chairman, the men on the Expenditures Committee were disinterested. There is not a Navy activity in my district; there is not an Army activity in my district save a practically unused arsenal. We had no favors to ask; we had none to extend. We went into it carefully, and I say to you again, as has been said time and again, not one single concrete bit of evidence came before our committee that would show a saving, but, on the other hand, a great deal of evidence came to show that there would be an increased expense.

[Here the gavel fell.]

Mr. HARLAN. Mr. Chairman—

The CHAIRMAN. The Chair will state for the information of the committee that all time has expired except 16 minutes. The gentleman from Massachusetts, opposed to the amendment, yielded back one minute.

The Chair will recognize the gentleman from Ohio for one minute.

Mr. HARLAN. Mr. Chairman, in view of the statements that have been made as to the impracticability of this plan,

and that is the only thing I care to discuss in this one minute, I will say that this statement appears in the New York Times under a Paris date line of March 2, in which is discussed the organization of the ministry of Andre Tardieu. This newspaper article follows:

The council approved a plan submitted by François Piétri for the organization of the new ministry of national defense. This far-reaching change in the political structure of the Government comprehends the coordination of the functions of the former Ministries of War, Marine, and Air, rather than their fusion.

In the new ministry there will be three directing bodies—command, administration, and armaments—under the common authority of the minister of national defense. All questions of command will come under the minister, aided by the vice presidents of the superior war council and the three chiefs of the general staffs of the army, marine, and air forces. One of the under secretaries of state will direct the administration of the ministry and another will supervise questions concerning war materials of all sorts.

France is the most militaristic nation on the globe. Her problems are far more similar to ours than are those of England; and what is good for a nation like that ought to be good for us.

This provision to consolidate the Army, Navy, and Air Corps under one head is the only provision left in this bill that affords any opportunity for real economy. I feel that if this provision is defeated we might just as well defeat the whole bill and declare our efforts at economy futile.

Mr. BYRNS. Mr. Chairman, I am speaking under difficulty, and I would like to ask the members of the committee kindly to give me their attention, and I want to make the further request that I be not interrupted. I would be glad to yield if I had more time, but I will be able to present only some of the facts to which I would like to call to your attention if I had more time.

Something has been said about this bill. Let me say for the second time that I did not draw it. I have never claimed any credit for the preparation of it. It was too intricate and involved for me to undertake myself, so I asked the legislative counsel to prepare it, and the title that is incorporated in the economy bill is the bill which was prepared by that office.

I take particular pleasure in making that statement now, because I want you to know that when you come to vote you are voting upon a bill which has been carefully prepared by your own counsel.

For 10 or 12 years there has been an effort to consolidate the War and Navy Departments. It has been recommended during that time by a President of the United States, and presumably with the concurrence of his entire Cabinet, with the exception of the Secretary of War and the Secretary of the Navy. It has been indorsed by prominent students of national affairs throughout the country. Several boards have been appointed. Gentlemen have referred to the Morrow Board. I have always understood that the Morrow Board was constituted for the purpose of giving particular attention to aviation. There was the Lampert committee appointed by this House, which recommended consolidation. Then there was the reorganization committee headed by the present Postmaster General, Mr. Brown, to which President Harding made his recommendation for a consolidation. I do not vouch for its correctness, but a gentleman told me he had seen with his own eyes the original draft of the report of that committee which included the recommendation of President Harding for a consolidation of the War and Navy Departments. Afterwards, and before it was made public, opposition appeared. In this report, in the minority views, is a statement by Senator HARRISON and Judge Walton Moore, who were members of that committee, that the recommendation made by President Harding was not concurred in because of Cabinet interference; and that is your trouble to-day, gentlemen.

The thing that has defeated this proposal during the entire 10 or 12 years has been the social contacts here in the city of Washington. [Applause.]

The Secretary of War and the Secretary of the Navy are vigorously opposing it just as their predecessors defeated the recommendation for consolidation in 1924.

It is a singular fact that while we always have a civilian at the head of these departments, the most of them immediately upon assuming office become little more than the mouthpiece of the higher officers in their respective departments. The surprising thing about it is that even the President of the United States, who has been pleading for consolidation, has openly expressed his opposition to the consolidation of the War and Navy Departments, notwithstanding more money could be saved in this way than by any other consolidation which might be effected, and in spite of the fact that back in 1923, when he was a member of President Harding's Cabinet, he was understood to be in entire accord with his chief on the subject.

The most powerful lobby in Washington to-day is the social lobby [applause], and there is not a man on the floor of this House who does not know it. The inarticulate voice back home, to which many have referred, when it comes in conflict with that kind of a lobby has not much chance to be heard.

The gentleman from Oregon criticized the Economy Committee because this proposal is included in the pending bill.

I wonder what the constituents of my friend the gentleman from Oregon [Mr. MARTIN] and the gentleman from Illinois [Mr. CHINDELOM] are going to say when they learn of their position that these so-called experts in the Army and the Navy should alone be consulted with reference to national-defense legislation. That is a very peculiar position for anyone to take on this floor. It is just as logical as to say that these officers should alone be consulted with reference to the amount of pay which they receive and that Federal employees should alone have a voice with reference to salary reduction.

I introduced a consolidation bill and the gentleman from South Dakota had previously introduced one. Those two bills were before the Committee on Expenditures. Groups of high-ranking Army and naval officers—and I have great respect for them—congregated, as you know, at every hearing held by that committee, so that on the day I went over there I could hardly get into the committee room in order to present my views upon the bill. Your Committee on Expenditures, after weeks of hearings, rejected it by a small vote. Then the Economy Committee, acting in accordance with the resolution which created it, very properly placed it in the pending economy measure.

I want to tell you, gentlemen, that there is not a provision of this economy bill which will save anything like the amount of money that will result from the proper administration of a consolidation of these two departments.

You are saving considerable money by your salary cut, but that is temporary. Various estimates have been made as to what will be saved by this consolidation. Some say \$40,000,000, some \$50,000,000, and some \$100,000,000. I have had Army officers and naval officers tell me confidentially—and they asked me not to mention their names, because they said they would be plucked or punished in some way if it were known—it would save 20 per cent of the cost of the Army and the Navy to this country when it was fully in effect.

Oh, the propaganda that has gone out over the country! As you know, that is the way they defeat these things. They say, "Oh, you are trying to break down our security against attack; you are trying to tear down the national defense of the country." There is not one word of truth in it. This proposal provides—as you will find if you read it—for one Secretary of National Defense. Under him is an Assistant Secretary for War, an Assistant Secretary for the Navy, and an Assistant Secretary for Aviation. It does not seek to combine the Army and the Navy and it will not serve to combine the Army and the Navy. You will still have your General Staff in the Army and you will still have your Office of Naval Operations in the Navy. The only difference this makes, so far as your national defense is concerned, is the unification of your air corps, which will bring about coordination between those two services now in the Army and in the Navy. It will make for coordination and efficiency in both the

Army and the Navy in purchasing, equipping, supplying, hospitalization, recruiting, manufacturing, and so forth.

The Government is spending this year around \$60,000,000 specifically for aviation in the two departments. This is exclusive of pay and maintenance of military and naval personnel and other incidental expenses amounting approximately to \$70,000,000 more.

Twenty-seven million dollars is being expended this year on new equipment.

Will anyone question but what there would be immense saving by the unification of the air activities in these two departments in the purchase of planes, equipment, and the maintenance and operation of air stations?

Talk to me about present cooperation and coordination. They can not even agree upon a football game, and you gentlemen know it. [Applause.] Only a few years ago the head of the Army activities in Hawaii and the head of the naval district in Hawaii, living there upon the respective reservations, almost side by side, did not even speak to each other. They would not recognize each other on the street, and I am told that if it were known one was going to a social gathering the other made it a point to stay away. Then talk to me about coordination and cooperation. That could not have happened if they had both been under one department head. I wish I had an hour and a half so I could tell you of many things in connection with this proposition.

Where does this saving arise? It is going to come from one source alone. It will not affect your Army; it will not affect your Navy; and it will greatly strengthen and improve aviation. I am not claiming reductions in so far as these fighting forces are concerned, nor am I seeking it. The saving is going to come in the administrative expenses.

Now, gentlemen, I am talking earnestly to you. You have talked about economy. We have all talked about it. This bill, the papers tell us this morning, has had \$67,000,000 taken out of it. Now you have a motion to take from \$50,000,000 to \$100,000,000 more out of it.

How much is paid the civilian personnel in your War and Navy Departments down in Potomac Park? You pay the stupendous sum of over \$10,000,000. Think of it, over \$10,000,000, and in addition to that you have 1,085 officers of the Army and Navy down there doing office duty, costing in all approximately \$15,000,000 in administration represented here in the city of Washington. Will anyone be so foolish as to contend that expense can not be saved by a consolidation of that overhead. That is not all. How much do you suppose the Government is spending on matériel in the Army and Navy under two separate heads? There is not a business concern in the world that would pursue our present policy, and you know it. Gentlemen here say it will not save any money. I can not believe they know what is being spent or they would not make statements like that.

The Government is spending on matériel for the Navy, under the appropriations just passed by the House, \$158,876,075. In the Army, on the basis of estimates submitted, it will spend \$88,631,092, or a total for supplies and matériel of \$247,507,167. Now, can you look a man seriously in the face and say that if you combine the supply activities of both under one purchasing authority you will not save money? It is ridiculous in the extreme, and I repeat that there is not a commercial concern which could last for one minute if it had a great business like this pursuing our present methods. A saving of only 10 per cent would amount to \$25,000,000. And pray tell me how such a combination and such a saving would in the slightest manner affect the efficiency or the strength of your national defense?

I ask you, gentlemen, how many recruiting offices there are in your cities. I have three in mine—an Army, a Navy, and a Marine Corps recruiting station. Is there any reason in my city or in yours to maintain three such separate stations?

Over here at Bolling Field you will find two air stations side by side, and no one can tell where the dividing line is, but let an Army plane happen to land with one wheel over on the Navy side, and there is trouble. You have two ma-

chine shops over there, and one machine shop will hardly lend a tool to the other.

I know that you will save money if you combine these departments. Why have all your Navy shore stations and all your Army posts and depots running under different heads? When you stop to think about it, and when you think about the consolidations that can be made, the statement of a saving of from \$50,000,000 to \$100,000,000 will impress you as a reasonable sum.

The gentleman from South Dakota [Mr. WILLIAMSON] appeared before his own Committee on Expenditures, and, as will appear from the hearings, enumerated just what savings could be made by way of consolidations. The following is an excerpt from his testimony:

The points advanced by Hon. Patrick J. Hurley, Secretary of War, against the bill (H. R. 4742) contain little that has not already been answered in my analysis of the statement of the Secretary of the Navy, and for that reason I shall not take time now to discuss them, as I desire to call the attention of the committee to some of the advantages which I conceive might be realized by the consolidation of the War and Navy Departments into a Department of Defense.

The general objects to be attained by the proposed creation of a Department of Defense may be summarized, as follows:

1. Economies in administration, standardization, purchases, and transportation.
2. Added efficiency through unity of supervision, closer cooperation, and singleness of command in time of war.
3. The development of an air force commensurate with its importance in modern warfare.

We shall have made out a case for the establishment of a Department of Defense if we can prove either of the following propositions:

1. That the consolidation proposed will effect economies without weakening our defense against a possible enemy.
2. That such consolidation will result in a more powerful defense with no increase of expenditures.
3. That with less expense we may develop a more powerful defensive machine than is possible with the present set-up.

It will not be possible for me to discuss all of the above propositions in detail without unduly wearying you, and I shall, therefore, not attempt it, but I do want to go into them sufficiently to justify my belief that the set-up proposed in the bill is sound in principle and in the interest of economy and efficiency in both peace and war. If this can not be shown our case falls.

That large economies can be realized with competent administration seems to me almost axiomatic. Under the arrangement, the General Staff of the Army and the General Board of the Navy would be abolished and a new general staff set up, composed of representatives of the Army, Navy, and air force, of which the under secretaries would be members. This staff would become the controlling administrative and policy-forming group acting under the immediate direction of the Secretary of Defense. Under such a set-up it would be possible to—

- (a) Relieve a considerable part of the present civilian personnel of the Army and Navy;
- (b) Standardize equipment, such as guns, ammunition, torpedoes, aircraft, and engines;
- (c) Consolidate purchases, stocks, supply depots, airports, experimental and manufacturing plants, and disbursing agencies; and
- (d) Consolidate and completely reorganize the transportation system.

If the matters just enumerated were undertaken in good faith, it is inconceivable that large economies would not result. In the extension of my remarks some of these subheads will be treated in detail in an effort to show just what can be done in the way of effecting economies by proper consolidation and reorganization.

The consolidation of purchases and stocks will not only effect initial savings by buying in larger lots, thereby reducing costs of goods and transportation, but it will enable the Government to buy comparatively less for each unit, thereby resulting in a smaller investment, a more rapid turnover, and hence, less spoilage and obsolescence.

The gentleman from South Carolina [Mr. McSWAIN], the distinguished chairman of the Committee on Military Affairs, appeared before the same committee and made a most illuminating statement advocating and earnestly insisting upon these two departments being consolidated. The opposition, as the hearings will show, was confined alone to the two Secretaries whose Cabinet jobs are at stake and a few high naval and Army officers.

Mr. McDUFFIE. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. McDUFFIE. Does the gentleman know of any reason why one clothing factory could not make the clothing for both of the services, instead of having a separate establishment for each service?

Mr. BYRNS. Absolutely not. You have clothing establishments at Jeffersonville, Ind., at Philadelphia, and in New York City making clothing, one for the Army, one for the Navy, and one for the Marine Corps. Do not tell me that you can not consolidate and save money, and it ought to be done. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon.

Mr. VINSON of Georgia. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. BYRNS and Mr. MARTIN of Oregon.

The committee divided; and the tellers reported that there were—ayes 153, noes 135.

So the amendment was agreed to.

Mr. McDUFFIE. Mr. Chairman, for the information of the committee, it is our hope and our purpose to complete the next title, then read the title with reference to veterans, without offering amendments, and adjourn for the day.

The CHAIRMAN. The gentleman evidently means the next two titles, and then read Title IX.

Mr. McDUFFIE. Yes; in other words, my intention was to say that we would complete this bill up to the title dealing with veterans. We would read that title, but not offer any amendments to it, and then adjourn for the day.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield? Could the gentleman state for the information of the committee whether or not the bill will be taken up for further consideration Monday or Tuesday?

Mr. McDUFFIE. I do not know. Monday is Consent Calendar day.

The CHAIRMAN. The Chair may state that the bill can not come up before Tuesday, under the rules.

Mr. McDUFFIE. It could be taken up Monday by unanimous consent.

The Clerk read Title VII, as follows:

**TITLE VII—PARTICULAR CONSOLIDATIONS EFFECTED
BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION**

SEC. 701. The Secretary of Commerce is authorized and directed to consolidate and coordinate the Steamboat Inspection Service and the Bureau of Navigation of the Department of Commerce in a bureau in such department to be known as the Bureau of Navigation and Steamboat Inspection, to be under the direction of a chief of bureau who shall be appointed by the Secretary of Commerce.

SEC. 702. (a) The Secretary of Commerce is authorized and directed to transfer to the Bureau of Navigation and Steamboat Inspection the records and property, including office equipment, of the Bureau of Navigation and the Steamboat Inspection Service.

(b) The Secretary of Commerce is authorized and directed to transfer to such bureau such officers and employees of the Bureau of Navigation and the Steamboat Inspection Service as in his judgment are indispensable to the efficient operation of such bureau. Such transfer of officers and employees shall be without changes in classification or compensation, but the Secretary may make such changes in the titles, designations, and duties of the officers and employees transferred as he may deem necessary to carry out the purposes of sections 701 to 704, inclusive, of this title. The Secretary is authorized to dismiss such officers and employees of the Steamboat Inspection Service and the Bureau of Navigation as are not, in his judgment, indispensable to the efficient operation of the Bureau of Navigation and Steamboat Inspection.

(c) The consolidation and coordination herein provided for shall be effected not later than July 1, 1932, and when the Secretary of Commerce declares such consolidation and coordination has been effected, the duties, powers, and functions vested in the Steamboat Inspection Service and the Bureau of Navigation shall be exercised by the Bureau of Navigation and Steamboat Inspection, and the Steamboat Inspection Service and the Bureau of Navigation shall cease to exist.

SEC. 703. All proceedings, hearings, or investigations commenced or pending before the bureau and the service abolished shall be continued by the Bureau of Navigation and Steamboat Inspection. All orders, rules, regulations, permits, licenses, enrollments, registrations, and privileges which have been issued or granted by the bureau and the service abolished and which are in effect shall continue in effect until modified, superseded, revoked, or repealed. All rights, interests, or remedies accruing or to accrue out of any provision of law or regulation relating to, or out of action taken by, the bureau and the service abolished shall be valid in all respects and may be exercised and enforced.

SEC. 704. Appropriations and unexpended balances of appropriations available for expenditure by the bureau and the service abolished shall be available for expenditure by the Bureau of Navigation and Steamboat Inspection in the same manner as if

such bureau had been named in the laws providing for such appropriations, except that such parts of such appropriations and such unexpended balances as may not be absolutely necessary for the purposes of such bureau shall not be expended but shall be impounded and returned to the Treasury.

TRANSFER OF PERSONNEL CLASSIFICATION BOARD TO CIVIL SERVICE COMMISSION

SEC. 705. The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Personnel Classification Board to the Civil Service Commission, and upon the issuance of such order—

(a) the Personnel Classification Board and the position of director of classification shall be abolished;

(b) all records and property, including office furniture and equipment, of the board shall be transferred to the Civil Service Commission; and

(c) such of the officers and employees of the board as, in the judgment of the President, are indispensable to the efficient operation of the Civil Service Commission shall be transferred to such commission, and all other officers and employees of such board shall be dismissed.

SEC. 706. Any transfer of officers or employees under section 705 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 705 to 708, inclusive, of this title.

SEC. 707. (a) All orders, determinations, rules, or regulations made or issued by the Personnel Classification Board, and in effect at the time of such transfer, shall continue in effect to the same extent as if such transfer had not been made until modified, superseded, or repealed by the Civil Service Commission.

(b) All provisions of law relating to the Personnel Classification Board and the director of classification shall continue in force with respect to the Civil Service Commission, in so far as such provisions of law are not inconsistent with the provisions of sections 705 or 706.

SEC. 708. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Personnel Classification Board as the President deems necessary shall be available for expenditure by the Civil Service Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

INTERNATIONAL WATER COMMISSION ABOLISHED

SEC. 709. The International Water Commission, United States and Mexico, American section, is hereby abolished. The powers, duties, and functions of such section of such commission shall be exercised by the International Boundary Commission, United States and Mexico, American section. This section shall take effect July 1, 1932.

TRANSFER OF RADIO DIVISION OF THE DEPARTMENT OF COMMERCE TO THE FEDERAL RADIO COMMISSION

SEC. 710. The President is authorized, by Executive order, to transfer the duties, powers, and functions of the Radio Division of the Department of Commerce to the Federal Radio Commission, and upon the issuance of such order—

(a) the Radio Division shall be abolished;

(b) all records and property, including office furniture and equipment, of the division shall be transferred to the Federal Radio Commission; and

(c) such of the officers and employees of the division as, in the judgment of the President, are indispensable to the efficient operation of the Federal Radio Commission shall be transferred to such commission, and all other officers and employees of such division shall be dismissed.

SEC. 711. Any transfer of officers or employees under section 710 shall be without changes in classification or compensation, but the President is authorized to make such changes in the titles, designations, and duties of such officers and employees as he may deem necessary to carry out the provisions of sections 710 to 713, inclusive, of this title.

SEC. 712. (a) All orders, determinations, rules, or regulations made or issued by the Department of Commerce in respect of the Radio Division or by the Radio Division and in effect at the time of such transfer shall continue in effect to the same extent as if such transfer had not been made until modified, superseded, or repealed by the Federal Radio Commission.

(b) All provisions of law relating to the Radio Division shall continue in force with respect to the Federal Radio Commission in so far as such provisions of law are not inconsistent with the provisions of sections 710 or 711.

SEC. 713. Such parts of appropriations and unexpended balances of appropriations available for expenditure by the Radio Division as the President deems necessary shall be available for expenditure by the Federal Radio Commission in the same manner as if such commission had been named in the laws providing for such appropriations, and the remainder of such appropriations and such unexpended balances shall not be expended but shall be impounded and returned to the Treasury.

Mr. WOLCOTT. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 46, beginning with line 12, strike out sections 701, 702, 703, and 704.

Mr. WOLCOTT. Mr. Chairman, I believe that every Member of the House is actuated by a conscientious desire to economize to the fullest extent in Government expenditures. I do not believe there is one of us who would want to economize to the extent that it would place in jeopardy the lives of American citizens who travel upon the high seas and the Great Lakes and their connecting waters.

I look with some suspicion on the attempt to consolidate the Steamboat Inspection Service and the Bureau of Navigation. This, I believe, is the third or fourth attempt to consolidate these two bureaus.

The Bureau of Navigation, as I understand it, is administrative in its character. The personnel of the Steamboat Inspection Service does the actual field work of inspecting our ocean liners and lake vessels with particular reference to the safety of lives on those boats. There is no more splendid personnel than that making up the present Steamboat Inspection Service. Every man is, and of necessity must be, under civil-service regulations, a seafaring man of recognized experience. If he is to be an inspector of hulls he must have either served as a master or first-class pilot on a ship of specified tonnage before he can take the examination. If he is to be an inspector of boilers he must have served for a certain length of time as a chief engineer or an assistant engineer on a ship of recognized tonnage.

When the load line law was passed the operation of this law should properly have gone to the Steamboat Inspection Service. These men have the actual knowledge necessary to determine what the load of a vessel should be. The operation of the load line law was, however, placed under the Bureau of Navigation, with the result that this bureau contracted with the American Bureau of Shipping to do this work. It is almost a certainty that if the Steamboat Inspection Service is placed under the Bureau of Navigation the ultimate result will be the gradual reduction of force in the Steamboat Inspection Service, with its ultimate disintegration. The American Bureau of Shipping will then in all probability be called upon to do the steamboat inspection. Where is there any economy in this?

Some time ago, in 1922, to be exact, the Secretary of Commerce recommended this consolidation. His recommendation, on page 35 of his report, is as follows:

The present double system of inspection of the hulls of ocean cargo steamers should be modified because of the expense and loss of time involved in this supervision by the Government and by the private insurance agencies. The staff of officers engaged in measuring tonnage of vessels should be transferred from the Treasury Department to the Department of Commerce as stipulated in a bill approved by both departments and now pending.

Now, gentlemen, I hope the time will never come when you will have to put the safety of the lives of American citizens in the hands of the people and companies who write insurance on these vessels. This inspection is a Government function and responsibility and it should be maintained as such.

This is merely a movement to authorize the Secretary of Commerce to do away with the worthy and efficient services that we are giving our citizens to-day through the Steamboat Inspection Service and put it in the hands of people not qualified to pass on these matters.

The Bureau of Navigation is hiring schoolboys and teachers in the summer to do this work, and at the present time on many vessels it has been found that blocks of wood have been substituted for cork and kapok in life preservers.

Now, the insurance does not protect the lives of persons on these vessels; it reaches the cargo, but not a cent of insurance is placed by the owners on anybody that travels on the boat. The only recourse they or their estates have is against the salvage of the vessel, which they may find at the bottom of the seas or the Great Lakes.

We are for economy, but not if it must be accomplished at the sacrifice of American lives. We could better afford to lose a billion dollars than to have a recurrence of the East-

land disaster or the foundering of another *Vestris*. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, the Secretary of Commerce appeared before our committee and stated that he saw no reason why these two services should not be combined. They both have to do with the safety of life and property. Both services were represented before the committee. No one who has given any thought to the provisions of this bill, no one who has read the bill, can come before the House and say that it gives the Secretary of Commerce the power to disband the Steamboat Inspection Service. I beg my friend from Michigan [Mr. Wolcott] to read the language of the bill. I live much of my time on the coast line myself, and in one of the major ports of the Gulf. I know something about the duties of both of these bureaus. I know that a substantial saving may be had by their consolidation. The country is clamoring for just such consolidations as we make in this instance.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. McCORMACK. I want to have it specifically stated in the Record that it is not the intention of the Economy Committee to permit any contracts to be made by the new bureau with any private persons or corporations to perform the duties at present performed by the Steamboat Service.

Mr. McDUFFIE. There is nothing in this bill that would permit any such construction, in my opinion, with all due deference and respect for the ability of the outstanding statesman from New England.

Mr. McCORMACK. I am not differing with the gentleman, but I want to have it inserted in the Record that the committee does not intend to do any such thing.

Mr. McDUFFIE. The committee did not intend to do it, nor will this Congress do it.

Mr. THATCHER. How much saving will there be?

Mr. McDUFFIE. It is impossible to state, accurately, what the saving will be under any consolidation. No one could know how much saving we might have by consolidating the Army and the Navy under one head of national defense, but this does effect a saving of anywhere from \$100,000 to \$250,000, in accordance with its administration. The gentleman, having been the Governor of the Panama Canal Zone, knows himself that often by consolidating bureaus that deal with hundreds of activities, by the elimination of certain activities, and possibly of personnel, more efficient and better results may be had by the consolidation. The savings depend upon how this can be administered. There is no objection to this in the Department of Commerce, there is no objection upon the part of anybody that I have heard speak, except the gentleman from the Great Lakes section, who is laboring under a misapprehension.

Mr. WOODRUFF. Is it the opinion of the chairman of the committee that this inspection service will be carried exactly as it is now with the same personnel?

Mr. McDUFFIE. Exactly as it is now, yet in the course of administration, of course, it might be found feasible to avoid duplication or have one employee do what two are now doing. However, the essentials of both services are intended to be preserved.

Mr. SWING. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SWING: Page 46, strike out all of section 701 after the abbreviation and figures, and insert:

"The Secretary of Commerce is authorized and directed to transfer to the Bureau of Steamboat Inspection Service the duties and functions of the Bureau of Navigation."

Mr. SWING. Mr. Chairman, for the purpose of preserving whatever there is of economy in the consolidation of these two services, and yet to prevent the frittering away and destruction of the efficiency of the Bureau of Steamboat Inspection, which is the active operating efficient service on the job, I have offered this amendment to have the consoli-

dation reversed, so that the Bureau of Navigation is transferred to the Bureau of Steamboat Service to lay the emphasis of Congress upon the fact that we do not want the efficiency of that service, which has made a splendid record and which this Congress has repeatedly refused to hamper in its activity, to be submerged in some new activity where that efficiency may be greatly impaired or destroyed.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield? Mr. SWING. Yes.

Mr. McDUFFIE. As I understand the gentleman's amendment it resolves itself into a question of which one of these bureaus you want to name first, when we put the merger into effect. They have both performed wonderful, effective service. No one criticizes that. It was the hope of the committee simply by joining these two services that the work of neither should be affected and that the work would proceed as it has always proceeded, whether it be called the Steamboat Inspection Service or the Bureau of Navigation. I hope the gentleman will not insist upon an amendment of that kind. I do not care which you name first in the language of the bill.

All we are interested in is putting them together. I can not see any excuse for changing the language of the bill. I do not think the gentleman's apprehension is well founded. The work is going on just the same.

Mr. SWING. The only purpose of my amendment is to make certain that the efficient work heretofore done by the Steamboat Inspection Service shall continue unhampered and not be submerged and commingled with something else where its efficiency will be destroyed.

Mr. McDUFFIE. The Secretary of Commerce said to the committee that he saw no reason in the world why they should not be consolidated, but that he did not have the authority to do so, intimating that he might have done it himself had he that authority.

Mr. SWING. I am not opposing consolidation, but I do oppose putting the cart before the horse.

Mr. McDUFFIE. Which is the horse and which is the cart?

Mr. SWING. The Steamboat Inspection Service is the horse. It is doing the vitally necessary work to-day.

Mr. McDUFFIE. Some gentlemen may think the other way.

Mr. STAFFORD. The Bureau of Navigation is the big thing.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on section 701 and all amendments thereto be closed in 10 minutes.

The motion was agreed to.

Mr. BLANTON. I rise, Mr. Chairman, in opposition to the pro forma amendment offered by the gentleman from California.

All this preachment of our friends across the aisle about retrenchment and consolidation is ridiculous when we watch them vote. When it comes to consolidating the Army and Navy Departments, something that would save \$100,000,000, the entire Republican Party follow the distinguished retired general from Oregon. That gentleman is a fit leader for them. When a question comes up that takes away any of the perquisites of the Army or Navy, we always find some retired general or some retired admiral leading the forces back to extravagance. Every mother's son of these Republicans followed him, including the big Republican leader, but you will have to go on record on that vote when we get back in the House. That is one amendment upon which we are going to put every one of you individually on record. You will have to go down with your John Hancock in black and white. [Applause.] It does seem as though you would take some warning from what is going on in the country.

Mr. TABER. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. BLANTON. Mr. Chairman, I am proceeding in order. Here is a motion to strike out an economy provision, a motion made by my friend the gentleman from California [Mr.

Swing]. He is the gentleman who the other day got up here and defended William Wolff Smith. [Laughter.] Just think of it! I have had 50 letters from California within the last week asking me to send them Mr. PHIL SWING's speech defending William Wolff Smith.

Mr. SWING. I have had a hundred write for it.

Mr. BLANTON. The gentleman from California had better get up here and disconnect himself from William Wolff Smith or some of those boys out in California are going to disconnect themselves from PHIL SWING. Now, Phil was talking through his hat.

Mr. GOSS. Mr. Chairman, I make a point of order.

Mr. BLANTON. He did not know anything about William Wolff Smith when he defended him here on the floor. He just got up here and defended him on general principles. He is running for the Senate and he has to make friends, but I am the gentleman's friend, and I want him to disconnect himself from that fellow before he is harmed by it.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. CAMPBELL of Iowa. Whose general was it who led these Members on the Democratic side of the aisle?

Mr. BLANTON. It was the Army and the Navy Club's general. It was the general of the Army and Navy Club, the biggest lobby in Washington. It is the Army and Navy Club that will not let Congress do one thing that it wants to do to effect sane economy. It sends word here, and it will have a retired general or a retired admiral here to carry out its wish every time it wants something done. Some of you know of the lobbying done here by Gen. James G. Harbord, who also draws his \$6,000 retired pay as a general and his salary as the head of the Radio Corporation of America, which is said to be \$50,000 per annum.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. No. This is not beer.

I made a speech in New York before some of the biggest business men of the city. One of the leading financiers of this Nation was toastmaster. I discussed this provision of the consolidation of the Army and Navy Departments. That was in my platform when I came to Congress. I showed what could be saved by it. The greatest applause I ever received in my life I got from that bunch of big business men in the city of New York on that proposition. They are for it because it would save \$100,000,000 per annum.

You Members who have followed this retired general in striking that economy provision out of the bill to-day will hear from your constituents before we have this roll call on that elimination and before that is knocked out of this bill on final passage.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert a letter which Mr. JOHN J. McSWAIN wrote on the subject of my resolution (H. J. Res. 355).

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Mr. Chairman, it was contended by my colleague from California [Mr. Swing], at the time he defended William Wolff Smith, that some of the allegations of fact in my said resolution, House Joint Resolution 355, might not be correct. Let me tell him that when William Wolff Smith testified under oath before the Committee on Military Affairs, he admitted that said allegations of fact were correct. And when Gen. Frank T. Hines, Director of the Veterans' Administration, testified before said committee, he also admitted the allegations of fact in my said resolution were correct.

There is a preacher at Water Valley, Miss., named G. C. Schwartz, who was a chaplain, who has had himself retired upon a presumptive disability, who, without knowing anything about the facts in the resolution, has been worrying the chairman of the Military Affairs Committee with his numerous letters, in one of which he blatantly stated that it

was marred by prejudice, hatred, and injustice, and that the resolution was the work of "a demagogue or a fool." He did not know a thing about the matter. But he knew that he had succeeded in getting himself retired at \$125 per month on a presumptive disability, and he was dreadfully afraid that "knocking out William Wolff Smith might also knock out him," so he proceeded to denounce the resolution and to call its author "a fool or a demagogue." So to quiet him it was necessary for Chairman McSWAIN to write him and advise that General Hines, director of all veterans' affairs, had testified before the Committee on Military Affairs that the allegations in said House Joint Resolution 355 are true and correct, and he intimated to this retired chaplain that all was not well on the Potomac between him and some of the Mississippi delegation. Here is what our friend Chairman McSWAIN wrote him:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C., April 21, 1932.

Rev. G. C. SCHWARTZ,
Water Valley, Miss.

DEAR SIR: I have received your fifth communication in the last few days and I have been too busy to acknowledge receipt of the others.

If you desire to be heard before the Committee on Military Affairs, and if you will come to Washington, I am sure the committee will give you an opportunity to say anything you wish concerning H. J. Res. 355.

You say that that resolution is a scurrilous document marked by prejudice, hatred, and injustice, and is the work of a demagogue or a fool. General Hines has just finished his testimony and he has admitted that the allegations of the resolution are true. Perhaps you know more about it than General Hines, and if you do, you ought to come to Washington and tell about it. I understand that several members of the Mississippi delegation would be glad to see you up here and also Judge J. J. MANSFIELD, of Texas, wants to have an interview with you, so I am informed by a member of the Mississippi delegation.

Yours sincerely,

JOHN J. McSWAIN.

So it behooves neither my colleague from California [Mr. SWING] nor this retired chaplain from Water Valley, Miss., G. C. Schwartz, who draws his \$125 per month on a presumptive disability, to ever again insinuate that the allegations in H. J. Res. 355 are not authentic, because William Wolff Smith has himself admitted they are true, and Gen. Frank T. Hines, Director of Veterans' Affairs, has testified before the committee that such allegations are true, and I understand that Mr. G. C. Schwartz has all of his time taken up in Water Valley just now straightening out his own affairs.

Mr. TIERNEY. Mr. Chairman, I ask unanimous consent to extend my remarks on this bill.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TIERNEY. Mr. Speaker, I have taken a stand in the House of Representatives against the cutting of Federal salaries, at least below \$2,500 a year.

While it costs me more than my Federal salary as Congressman to carry out my congressional expenses and live, a cut in my salary or salaries of Cabinet officers and other Representatives and the higher paid officials would be far less of a hardship than cutting down those in the lower levels.

I have official information as to the number of Government employees in Fairfield County as well as the aggregate salaries received by them. This has been supplied to me by the different secretaries of the respective departments. There are approximately 1,000 Government employees receiving an aggregate salary from the Federal Government amounting to approximately \$2,000,000, of which it is proposed to cut 11 per cent or take out of circulation from Fairfield County over \$200,000 a year. This money is received by the employee who is paid a salary of around \$1,400 or \$1,500 a year.

By the tabulation furnished me by the Bureau of the Budget, I find there are in the United States 336,541 Federal employees whose salaries run between \$1,000 and \$2,000 a year, and 259,262 Federal employees whose salaries run between \$2,000 and \$2,500 a year. The average annual Federal employee's salary of the United States is \$1,441.

These Federal employees may be fairly divided into three groups: One, the Army and Navy; two, strictly political appointed officeholders; and three, men and women who have availed themselves of the nonpartisan plan of civil service and are in this branch for life. This includes mostly post-office clerks, carriers, rural carriers, and some of our postmasters.

The Army and Navy can pretty well take care of themselves and do not figure in this bill. Those who have strictly political appointments take their changes and I am not worried about them; there are some drones in the service and departments that should be abolished and people working at a salary that they do not earn; the way to treat them is to abolish the departments and discharge the employees and not merely cut their salaries.

Mr. Speaker, I am more particularly interested in the third class, the civil service employees who have given up opportunities of more lucrative employment and award in other fields of work, who work on a lower grade of salary, who make it a life work, deducting pension for their old age from their pay. They are the backbone of Government work. A cut of 11 per cent or one month furlough in the salaries of these approximately 600,000 employees would involve not only them but perhaps a million or more members of their families living with or dependent upon them.

The amount of this year's huge tax need is approximately \$2,000,000,000. The Economy Committee salary cut (90 per cent of which comes from people earning under \$2,500 a year) would net about \$60,000,000. President Hoover's plan would net about \$80,000,000. Eighty million dollars is approximately 4 per cent of the total tax. I think it is a poor policy of the American Government at this time to cut down these small salaries, and for such small comparative yield in tax.

At best this depression is only a temporary one. America has never succumbed under a depression and will not at this time. It is only a question of time. We are the victims of overproduction, underconsumption, our economic distress is very largely mental. A change in heart and courage and sentiment would restore work for the seven or eight million men out of work.

We are simply overcome with a psychological condition of fear, and before we can return to normal conditions we must substitute for this fear a condition of confidence. We shall never drive out this fear by bringing about a sharp reduction in the wage of our poorly paid and hard-working Federal employees of the civil service class.

Many people feel that the evil will not be merely a cutting in the lower wages of Federal employees, but that many manufacturers and employers are looking for and will use this as an example and excuse to further reduce and bring about wage cuts in private employment.

At best we are only hitting the surface by this cutting of the small man's wages and spreading further fear and expectation of further cuts throughout several millions of our people. If the administration wishes to render a real service it might take the pattern from a service rendered to the State of New York some years ago by a well-known governor when he cut down some 90 overlapping departments to something like 14 to 17 and thereby saved the State of New York many millions. We have to-day 10 major Federal departments, over 150 bureaus, and nearly one-half that number of separate establishments, unconnected, antiquated, and outgrown through 100 years of Government, full of dry-rot, and costing the taxpayers almost enough yearly in unnecessary charges to meet our heavy tax bill this year.

Ogden Mills, Secretary of the Treasury, in his speech before the Associated Press in the Waldorf-Astoria yesterday, said that—

The only way I know to bring adequate relief to the people of the United States is to set in motion forces that will make economic recovery possible; this means for the Government drastic economy.

Let me say to Mr. Mills and the administration that an honest, serious, and genuine attempt has not been made to correct the inefficient and uneconomic bureaucratic condition

existing in Washington. The administration not only does not attempt to correct this great evil, but little, if any, aid is given to Congress by the administration in efforts to cut down the expenses. We are only hitting the surface and exasperating a large part of our population by these foolish and injurious salary cuts and lowering American standards of living by taxing the little man \$100 to \$200 a year. In some instances a real loss of \$500 to \$600, under the administration plan of enforced vacations and travel charges, would be suffered. By an increase of fear and a lowering of these standards we delay the day when prosperity will start back again.

Mr. Speaker, I am opposed to these salary cuts, whether they take the form of a reduction of 11 per cent or the more damaging and greater cut in the form of forced vacation and other losses recommended.

Mr. LaGUARDIA. Mr. Chairman, I want to appeal to the chairman of the committee if he will consider the amendment offered by the gentleman from California [Mr. SWING]. It may sound captious, but it is not; there is a great deal more underneath this consolidation than may appear on its face. The proposed amendment, I believe, would obviate any misunderstanding later on.

The Bureau of Navigation, of course, is favored by steamship interests; but the Steamship Inspection Service, although functioning under antiquated laws and limited appropriations, is rendering splendid service. Countless lives are saved yearly by the good work of this service. The greed of shipowners under obsolete laws limiting their liability must be curbed by an efficient, honest inspection service.

I refer to a statement which I made on December 14, 1928, which is on page 622 of the bound RECORD; I there reviewed the history of our navigation laws. I urged at the time the necessity of bringing our laws up to date and increasing the inspection service. If the House will remember the *Vestris* disaster four years ago, it will bring home the necessity of such inspection. If we are to submerge the Steamboat Inspection Service in that of the Bureau of Navigation, I am so fearful that the tremendous influences of the steamship interests will destroy this very useful service—

Mr. McDUFFIE. Will the gentleman yield?

Mr. LaGUARDIA. Yes; I yield.

Mr. McDUFFIE. The gentleman is always fearful of some hidden sinister interest.

Mr. LaGUARDIA. Yes. That has been my experience.

Mr. McDUFFIE. I wish the gentleman, when he makes such charges, would call names and be fair to the House and say who is crooked and who is straight.

Mr. LaGUARDIA. That is a fair statement. I will be glad to answer that, if time permits.

Mr. McDUFFIE. But I want the gentleman to point out in this bill, if he will, for the benefit of the House, where one of these services is submerged in another.

Mr. LaGUARDIA. The bill provides that the Bureau of Steamboat Inspection is merged with that of the Bureau of Navigation.

Mr. McDUFFIE. I beg the gentleman's pardon. The bill reads "consolidated and coordinated," in the very first paragraph.

Mr. LaGUARDIA. Well, the gentleman must understand that the very nature and the very purpose of the two bureaus are such that the Steamboat Inspection must remain unimpaired and uninfluenced and unhampered by that of the Bureau of Navigation.

Mr. McDUFFIE. I make the statement that the committee—I will repeat it, I have said it once, and I probably have said it twice—that the commission had no thought of impairing the wonderfully effective service of the Steamboat Inspection Bureau. We do not expect it to be done. We think the country would frown on it if it should be done, and we do not think any Secretary of Commerce would be so unwise as to do it.

Mr. LaGUARDIA. Of course, the gentleman's statement is very helpful in developing the intent of Congress. If we did nothing else, I am sure that this discussion bringing

forth that statement is very helpful. It establishes the intent of Congress.

The gentleman from Alabama says I am always seeing something sinister. I did not see anything sinister when I voted with the gentleman on the consolidation of the Army and the Navy.

Mr. McDUFFIE. That is not the question here.

Mr. LaGUARDIA. In this instance I know, and so does the gentleman from Alabama who is familiar with maritime conditions, that the owners of ships are always resisting inspection under this service. They do not like it; and when we tried to modify the law after the *Vestris* disaster it was resisted. Anyone who is familiar with our navigation laws must know that they are antiquated, that they are obsolete, and we ought to bring them up to date.

We have been trying for 14 years to do it, but have been unable to do so. The steamship interests prevent it. I shall continue my efforts to have our navigation laws and our maritime laws revised and brought up to date. The law on hull inspection must be revised. Stability tests at regular intervals must be made compulsory. The personnel of the Steamboat Inspection Service increased. Above all things, I repeat, the work of the service must not be permitted to be hampered or curtailed in any manner. If, notwithstanding the assurance given by the gentleman from Alabama [Mr. McDUFFIE], we find that it is, I guarantee the House right now that it will be brought to their attention again. I shall continue my efforts to repeal the law which limits the liability of ship owners—a law which permits them to pocket insurance money for the loss of a ship and permits them to plead the limitation of liability and refuse to pay for loss of life. Gentlemen, that is the law to-day—a law several hundred years old. This consolidated service will surely be kept under vigilant observation.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. SWING].

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was rejected.

Mr. LEHLBACH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. LEHLBACH: On page 48, line 21, strike out section 705.

Mr. LEHLBACH. Mr. Chairman, I offer this amendment, not in behalf of any official or any employee of the Government, because not a single employee or official of the Government can possibly be affected by the provisions of section 705. Neither can \$100 a year be saved by it. I oppose the section solely in the interest of efficacy in administration of civil-service affairs, and in having effective checks in order to prevent, by perversion of existing law, undue increases in salary. Therefore, I rest my objection to this section on a basis of sound economy.

The Personnel Classification Board is comprised of the Chief of the Budget Bureau as chairman, the Chief of the Bureau of Efficiency, and a member of the Civil Service Commission. When the classification act of 1924 was adopted, the functions to be performed by the Personnel Classification Board were of such importance and depended so much upon the integrity and the intelligence of the administration of this personnel classification that no one official was intrusted with it, but the Budget Bureau, the Bureau of Efficiency, and the Civil Service Commission were each given authority, one to check the other in the performance of these duties.

At first the Efficiency Board did not function as it was intended and was subject to severe and just criticism, but that is not the condition at the present time. The members of the board draw no salary. Their functions are dealing with policy. The actual work under the policy laid down by the Classification Board and under its supervision is performed by a skeleton organization which is eked out

by detail of employees from time to time from the various departments of the Government.

Now, it takes many, many more men to do the classification work than are on the pay roll of the Classification Board, and that work is done by detailed employees who draw no money. Therefore the result of this section would be simply to transfer bodily the working force of the Classification Board to the Civil Service Commission, and I doubt whether authority exists for detailing from departments in the city of Washington employees to work in the Civil Service Commission. So the Civil Service Commission would have to increase its personnel, and this section would thus increase the Government expense.

The main objection I have is that the Civil Service Commission may, if it sees fit, by an interpretation of its functions and by exercising certain functions which they may claim the law gives them, unduly increase the general level of salaries throughout the service. For that reason, sitting side by side with the representative of the Civil Service Commission is the Director of the Budget to protect the Treasury.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it matters not what consolidation of Government agencies is suggested, immediately following the introduction of a bill propaganda starts. It comes from sources that do not understand the situation but simply protest because some job or jobs might be affected. The personnel affected naturally is disturbed, but that situation will always exist when consolidations are brought about. It seems to me there is opportunity for vast savings if the two agencies mentioned in this paragraph are placed under one roof. The Classification Board will, I think, function with a higher degree of efficiency. Records, many of which are duplications, will be placed together. Both agencies will find their work curtailed during the next year. The bill provides for the suspension of promotions and increases in salaries. That slows up the work of the Classification Board. No appointments are to be made, so that means no civil-service examinations and no certifications can be made unless authorized by the President, so the Civil Service Commission will find itself without work. There are other agencies that should have been placed in this set-up, but the Economy Committee would not agree with my suggestion along this line.

The Committee on Expenditures considered a bill to merge the personnel activities of the Government and reported it favorably. It was suggested that the Civil Service Commission, the Personnel Classification Board, the retirement division of the Veterans' Administration, the Bureau of Efficiency, and the United States Employees' Compensation Commission, all having to do with personnel, be placed under one head. Objection was immediately made to the inclusion of the United States Compensation Commission because that commission administers the longshoremen's act and also the District of Columbia liability act. The question of including the Employees' Compensation Commission is, I admit, debatable, but I favored including that in the bill and leaving it for the House to decide. It was in the bill when it was reported by the Expenditures Committee. I looked for strong opposition if that bill had been called up, but I said I favored the House speaking on the question. If the House wanted to eliminate it I would have been satisfied.

The gentleman from New Jersey speaks of the Personnel Classification Board. Less than a year ago the President issued an order to discontinue promotions on account of the condition of the Treasury. Then, instead of promoting an employee, they put him in another grade. An appeal to the Classification Board was made, and the hearings before the independent offices subcommittee of the Committee on Appropriations will show that the Classification Board practically raised the salaries of employees to the extent of several hundred thousand dollars after the President's order has been issued.

The Classification Board to-day is doing another job. It is making surveys, reclassifying the employees of the Government, and seeing if it can not place those doing the same class of work into a different grade—that is, a lower grade. The Classification Board must confine itself to this work during the next year. There will be a general shake-up in personnel and many to hold a position will accept a reduction and therefore must be reclassified.

Mr. LEHLBACH. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. LEHLBACH. Does not this bill already authorize the President to make this consolidation if, after investigation and consideration, he deems it wise?

Mr. COCHRAN of Missouri. It probably does; but it is a question as to whether or not he will have to come to Congress to do what we ask you to do here. There will be a saving here. Not so much, but a saving. It is my hope that the President will even go farther than the Congress is going.

I believe if there is one thing in this bill that is going to be beneficial to this country, if it is administered properly, it is the power which you place in the President to reorganize Government agencies, because unless you give the President that power it will never be done. [Applause.] Congress has tried for 20 years to do it and failed.

Mr. LEHLBACH. Why not leave it to him, then?

Mr. TREADWAY. Why pick on one particular board, known as the Classification Board, and insist that the consolidation be made?

Mr. COCHRAN of Missouri. Because the hearings developed a need for this, and the President in a message suggested that Congress consolidate the personnel activities. We were ready. It means a saving, so why not do it by law now?

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. DOUGLAS of Arizona. Under the authority granted in Title IV of the amendment the President has no authority to consolidate or to merge an agency created by statute, and the Personnel Classification Board was created by statute.

Mr. COCHRAN of Missouri. That is just what I indicated in my reply to the gentleman.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. LEWIS. Mr. Chairman, I understand that this particular agency of the Government has already come under the consideration of the committees of Congress with a view to economy; that the appropriation has been reduced from \$200,000 to \$150,000, or by 25 per cent. If the same economies were realized generally in the Budget, \$1,000,000,000 would be lopped off of the charges against the Government in the coming year.

I have looked at the report of the committee in this matter, and without making the statement in any purpose to criticize, I find no explanation or supporting statement whatever for this change of a statute, a statute that must have been enacted after that degree of attention which is usually given these matters by the committees of the House. In the absence of any evidence that further desirable economy can be accomplished by abolishing this particular agency or shifting it to some other function in the administrative part of the Government, I myself will feel constrained to vote against its adoption.

Mr. SCHAFER. Mr. Chairman, I rise in favor of the amendment. I did not intend to speak, but I happen to be a member of the Committee on Expenditures in the Executive Departments. Our chairman spoke in behalf of abolishing the Classification Board and called the attention of the committee to the fact that his committee had reported out a bill, which is on the calendar, providing for its consolidation with the Civil Service Commission. That is true, but several of the members of the Expenditures Committee filed dissenting opinions.

The chairman of the Expenditures Committee did not advise you that a majority of the Expenditures Committee, when they recommended the consolidation of the Classification Board with the United States Civil Service Commission, also recommended that the consolidation include the United States Employees' Compensation Commission. Upon careful reflection the members of the Economy Committee, including the chairman of the Expenditures Committee, I believe, reached the decision that the small majority of the Expenditures Committee erred in asking for the consolidation of the United States Employees' Compensation Commission; in fact, they admit it, because they know it is impossible, either in the name of efficiency or economy or in compliance with a sound fundamental public policy, to consolidate these agencies.

The Civil Service Commission appeared before the Committee on Expenditures; they wanted the entire consolidation. They wanted to swallow the United States Employees' Compensation Commission and they wanted to swallow the Classification Board. Why? Because they know that by reason of the fact that Government employees are not resigning in great numbers and also because they have large eligible lists now, in the name of economy, they could remove about one-half of the employees from the Civil Service Commission rolls. They want to consolidate and swallow these other agencies and keep many of their own employees whose services are not needed now and cut off the Government pay roll the employees of these other agencies.

As the former chairman of the Civil Service Committee indicated, it is sound from the economy standpoint and from the efficiency standpoint to have a check upon the Civil Service Commission. The Civil Service Commission has its functions and the functions of that commission are not similar to the functions of the Classification Board, which is an appellate body. The functions of the Civil Service Commission are not related to the functions of the United States Employees' Compensation Commission, whose functions are of a judicial nature. All the great labor organizations in this country are opposed to consolidating the United States Employees' Compensation Commission with the Civil Service Commission. If the chairman of the Expenditures Committee is going to use the report of the Expenditures Committee as an argument in favor of consolidating the Classification Board with the Civil Service Commission, why then did he not explain to the House the failure of the Economy Committee to report the proposition in its entirety as recommended by the Committee on Expenditures, of which he is chairman?

Why did not the gentleman and the Economy Committee recommend the entire bill, as they did in the case of the provision with respect to the Public Works Administration, if the action of the Expenditures Committee is suggested as a reason to consolidate the Classification Board?

Mr. LA GUARDIA. Will the gentleman yield?

Mr. SCHAFER. Yes; I yield.

Mr. LA GUARDIA. The gentleman might also state that originally this board was part of the Civil Service Commission, but it did not work out.

Mr. SCHAFER. The gentleman is absolutely correct. It did not work out, and that is why the Classification Board is now an independent agency. Its duties are different, and because of economy and efficiency we had to have a separate agency, and yet the Economy Committee includes its consolidation in the bill, and in their committee report they do not indicate one word or give one reason why this unusual action should be taken or how it will save one penny. There are only three lines in the committee report with reference to their recommendation on this consolidation.

I hope the amendment will be adopted in the name of efficiency and in the name of economy. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 30, noes 74.

So the amendment was rejected.

Mr. DOUGLAS of Arizona. Mr. Chairman, I move that all debate on Title VII and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. BLANTON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 49, at the end of line 2, add the following: "That the rates of compensation for positions to which, prior to the effective date of this act the provisions of the classification act of 1923, as amended (U. S. C., Title V, ch. 13) applied, shall be the rates in force on the day preceding the effective date of the classification act of 1923 for positions involving the same or substantially similar duties."

The CHAIRMAN. The Chair does not think he can recognize the gentleman except by unanimous consent. All debate on section 705 and all amendments thereto was closed some time ago by order of the committee.

Mr. LA GUARDIA. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes, because I was also under a misapprehension about the time.

Mr. BLANTON. I shall only ask for three minutes.

The CHAIRMAN. If the request is granted the gentleman from Texas, the Chair would suggest that the same amount of time be granted the gentleman from Maine.

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, for what purpose does the gentleman from Maine desire to address the committee?

The CHAIRMAN. The gentleman from Maine has an amendment to offer and wishes to speak on his amendment.

Mr. DOUGLAS of Arizona. For the information of the Chair and the committee, I think the amendment of the gentleman from Maine will probably be offered as a committee amendment.

The CHAIRMAN. Is there objection?

Mr. DOUGLAS of Arizona. Mr. Chairman, reserving the right to object, the request, as I understand it, is that the gentleman from Texas be permitted to speak three minutes on the amendment he has offered. I shall not object provided there is coupled with that request the additional request that there be an equal amount of time granted to anyone who wishes to speak in opposition to the amendment.

The CHAIRMAN. The Chair is afraid the gentleman from Arizona does not quite understand the situation. Under the motion of the gentleman from Arizona, which was agreed to, all debate on this title and all amendments thereto was ordered closed in 10 minutes. Prior to that all debate had been closed on section 705. The gentleman from Texas now offers an amendment to section 705. Of course, the amendment is in order, but the Chair holds that he will have to ask unanimous consent to address the committee on that particular section, and the time occupied, of course, would be included in the 10 minutes now remaining.

Mr. DOUGLAS of Arizona. The Chair is quite correct in his statement of the matter. The unanimous-consent request was made, and the gentleman from Arizona rose and reserved the right to object and stated he would not object provided three minutes were given to one opposed to the amendment offered by the gentleman from Texas.

Mr. BANKHEAD. Mr. Chairman, let me make a unanimous-consent request. I ask unanimous consent that the gentleman from Texas may be allowed to proceed for 3 minutes, and the gentleman from Arizona be allowed 3 minutes to reply, the 6 minutes to be taken out of the 10 minutes' debate.

Mr. McCORMACK. Reserving the right to object, I would like to have the amendment again reported.

Mr. STAFFORD. Mr. Chairman, I object.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent for one minute to explain my amendment to the gentleman from Wisconsin.

Mr. WILLIAMSON. I object to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. BEEDY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 54, line 4, strike out paragraph (c) and insert in lieu thereof the following:

"Such of the officers and employees of the Radio Division of the Department of Commerce and the Federal Radio Commission as, in the judgment of the President, are indispensable to the efficient operation of the consolidated bureau shall be retained under the consolidation, and all other officers and employees affected by such consolidation shall be dismissed."

Mr. BEEDY. Mr. Chairman, I have not taken any time in the discussion of this pending bill. If this amendment serves to carry out and make more effective the purpose of the committee, I shall not take any time, unless some Member present desires an explanation.

Mr. DOUGLAS of Arizona. Under the language of the committee, only those employees of the Radio Division will be subject to dismissal. That would be an injustice to others who may have served longer than those who under the language are subject to discharge. The language of the gentleman from Maine places them all on an equal basis, equal footing.

Mr. BEEDY. Exactly.

Mr. WILLIAMSON. I would like to ask the gentleman why you use the term "bureau" instead of "commission"?

Mr. BEEDY. I consulted the legislative draftsman, and we thought it would be best to use that language. It can be corrected in the Senate.

Mr. LOZIER. Mr. Chairman, I do not know who is responsible for this language, but I think it is a reflection on the American people to write into substantive law the language embodied in this provision. I think it is a reflection on the intelligence of the American people to incorporate in this bill an implication that any officer or employee of the present Radio Commission is indispensable to the efficient administration of the commission. Certainly no man or set of men now connected with the Radio Commission has a monopoly on the radio science to such an extent that his services are indispensable. We are not so poverty stricken in ability and scientific attainments of our people as to require Congress to write into substantive law language which implies that the radio science would go to the "demnition bowwows" if some of the present officers or employees of the Radio Commission should be separated from the service.

Mr. BEEDY. Mr. Chairman, if the gentleman will yield me 30 seconds of my own time, I will say to him that I adopted that word because it was in the act. It was put in there by the legislative draftsman. If that is an objectionable word and the gentleman from Missouri has a better one, as far as I am concerned I will accept his.

Mr. LOZIER. I am not criticizing my friend from Maine, but I am complaining of the practice of Congress in anchoring members of boards and commissions to their jobs by using language in bills which implies that a few swivel-chair administrators have a corner on efficiency and capacity for the proper discharge of the public business. Why, gentlemen, you could discharge every man connected with the Radio Commission and replace them with men selected at random from any one of a thousand communities without impairing the efficiency of the commission one iota.

This bill justifies the implication that certain officers and employees of the Radio Commission are indispensable to its efficient operation.

Mr. BEEDY. I do not think there was any such intention upon the part of those writing the bill.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. This provision in this bill with regard to the Classification Board and the ratings it has been making and the committee's action in proposing to abolish the board should have been amended so as to abolish the inexcusably high salaries now being paid. It should have provided that all of these unreasonably high salaries that wrongfully and unjustly have been established be stopped, and the action of the board granting them repealed, and the men who draw them put back on their former basis, so that Congress may regain control of the fixing of salaries.

I proposed an amendment here that would have done that very thing. But our Republican brethren defeated it. The other day I put in the RECORD a list of a bunch of the employees who, when this act was passed by our friend from New Jersey [Mr. LEHLBACH], drew small salaries, but who now draw \$5,000, \$7,000, \$8,000, and \$9,000 a year because they have been rated by this board—with no reason for it at all. Look at pages 8248, 8249, 8250, and 8251 of the RECORD for April 14, 1932, and you will see some of these salaries. Hundreds of them were raised overnight by this board from \$1,800, \$2,000, and \$3,000 to \$5,000, \$6,000, \$7,000, \$8,000, and \$9,000. My amendment would have stopped it. I sought to correct that. Yet the so-called economy advocate from Wisconsin [Mr. STAFFORD], our friend who preaches economy so much but never votes for it—

Mr. STAFFORD. Mr. Chairman, I rise to a question of order.

Mr. BLANTON. The man who is always wanting it but who, when the time comes to get it, goes with the other bunch; he had to be the one to prevent my discussing my amendment.

Mr. STAFFORD. Mr. Chairman, I rise to a question of order. The gentleman is not discussing the question before the committee but is discussing me.

The CHAIRMAN. The point of order is sustained, and the gentleman will proceed in order.

Mr. BLANTON. When I proposed this amendment it seemed that everybody wanting sane economy and desiring retrenchment ought to be in favor of it, and yet the gentleman from Connecticut [Mr. GOSS] refused to let me have even one minute.

Mr. GOSS. Mr. Chairman, I rise to a question of order.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. The gentleman from Texas is not discussing the amendment but is discussing me.

The CHAIRMAN. It is quite evident that the gentleman from Texas was discussing the gentleman from Connecticut.

Mr. BLANTON. I was diverted by reason of the gentleman keeping me from speaking for one minute on an economy proposition. I presumed, Mr. Chairman, that when I was proposing to stop \$1,800 clerks from drawing \$8,000 and \$9,000 salaries that I would surely have the aid of my friend from South Dakota [Mr. WILLIAMSON], but he objected to my having one minute, hence these three gentlemen are responsible for these \$1,800 clerks still getting their \$8,000 and \$9,000 salaries.

Mr. WILLIAMSON. I am wondering why the gentleman insists on discussing a case after it is out of court. He did not allow attorneys in his court to do any such thing.

Mr. BLANTON. I want to pin down the responsibility for my amendment not being adopted to the men who kept it from being adopted. There must be some responsibility fixed here in the House when a Member offers a good amendment and it is not adopted. My amendment would have stopped these \$1,800 men from drawing \$9,000. There is some reason why it did not prevail, and the three men who stood on the floor and kept it from being passed were my friend the gentleman from Wisconsin, Mr. STAFFORD; my friend from Connecticut, Mr. GOSS; and my friend from South Dakota, Mr. WILLIAMSON.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DAVIS. Mr. Chairman, do I understand that all debate is exhausted on this amendment?

The CHAIRMAN. That is the order of the committee. The question is on the amendment offered by the gentleman from Maine.

Mr. McDUFFIE. Mr. Chairman, the gentleman from Tennessee [Mr. DAVIS] has studied the radio problem more than any other member here, I think. I ask unanimous consent that he have five minutes in which to discuss this amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Tennessee is recognized for five minutes.

Mr. DAVIS. Mr. Chairman, I appreciate the courtesy extended by my colleagues.

I am heartily in favor of the transfer of the Radio Division to the Federal Radio Commission. In fact, in the last Congress the Senate, as I understand, unanimously passed a resolution to that effect, and the House committee unanimously reported the resolution, although it never came up for action in the House. The reason it was not permitted to be considered by the House was because of propaganda that was carried on by certain parties who were wanting to make secure their jobs. A similar resolution has passed the Senate this session. The omnibus radio bill which passed the House has been amended in the Senate so as to provide for this transfer.

I do not think the amendment offered by the gentleman from Maine [Mr. BEEDY] ought to be adopted, because I think it is entirely too broad. The only function performed by the Radio Division is an inspection service, and as it stands now they are hanging in midair without being under the responsibility of the commission or anybody else that has anything to do with the regulation of radio. This Radio Division should be under the direction of the commission, which is authorized by Congress to perform all of these regulatory functions.

As I say, the Radio Division does not contain any officials who are conflicting with any of the officials of the Federal Radio Commission. There are no officials whatever except inspectors. I think they have about 40 inspectors—doubtless too many—and then there is an office force in addition to that. It is estimated that this transfer will effect a saving of at least \$120,000. It will promote efficiency and cooperation.

As the Federal Radio Commission under the law is made responsible for the proper regulation and supervision of radio, I think the authority should rest with them and the obligation be imposed upon them to select the officials who shall perform that service.

I am in thorough accord with the idea that all of the officials and employees shall be dispensed with in so far as possible. The President is authorized to do that under the language of the bill before us, but the amendment offered by the gentleman from Maine, if you will read it carefully, is so very far-reaching as to authorize the discharge of any of the officials in either the Federal Radio Commission or the Radio Division.

With respect to the matter of expense, the omnibus radio bill which passed the House and which is now pending in the Senate has been reported favorably to the Senate with a provision imposing radio licenses and fees which will practically cause the radio industry to pay the cost of Federal regulation and supervision. I am heartily in favor of that. As that is to be done I do not think it should be hampered as indicated.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

The question is on the adoption of the amendment offered by the gentleman from Maine.

The question was taken; and on a division (demanded by Mr. BEEDY) there were ayes 38 and noes 39.

So the amendment was rejected.

Mr. McLEOD. Mr. Chairman, I offer an amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: Page 52, after line 9, insert a new Title VII-A, as follows:

"Notwithstanding the provisions of section 204, the President is authorized to retain in the civil service beyond the retirement age civil-service employees whose separation from the service would in his opinion not be in the public interest."

Mr. WILLIAMSON. Mr. Chairman, I make a point of order that the amendment is not germane.

The CHAIRMAN. The Chair is ready to rule. The Chair thinks the amendment offered as a new title is clearly not germane. It would have been germane had it been offered to Title II. The Chair therefore sustains the point of order.

Mr. McLEOD. Mr. Chairman, I ask unanimous consent to proceed for one minute for the purpose of explaining what is in this amendment, as I shall later ask unanimous consent to refer back to Title II, page 9, to insert this section. I do not believe the Members appreciate what has been done.

Mr. BLANTON. Mr. Chairman, reserving the right to object, and I do not object, I think the gentleman ought to have a right to speak for one minute. I think all gentlemen should have a right to speak for one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. DOUGLAS of Arizona. Mr. Chairman, I am constrained to object.

The Clerk read as follows:

TITLE VIII—INTERDEPARTMENTAL WORK

SEC. 801. Section 7 of the act entitled "An act making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes," approved May 21, 1920 (U. S. C., title 31, sec. 686), is amended to read as follows:

"SEC. 7. (a) Any executive department or independent establishment of the Government, or any bureau or office thereof, if funds are available therefor and if it is determined by the head of such executive department, establishment, bureau, or office to be in the interest of the Government so to do, may place orders with any other such department, establishment, bureau, or office for materials, supplies, equipment, work, or services, of any kind that such requisitioned Federal agency may be in a position to supply or equipped to render, and shall pay promptly by check to such Federal agency as may be requisitioned, upon its written request, either in advance or upon the furnishing or performance thereof, all or part of the estimated or actual cost thereof as determined by such department, establishment, bureau, or office as may be requisitioned; but proper adjustments on the basis of the actual cost of the materials, supplies, or equipment furnished, or work or services performed, paid for in advance, shall be made as may be agreed upon by the departments, establishments, bureaus, or offices concerned. Bills rendered or requests for advance payments made pursuant to any such order shall not be subject to audit or certification in advance of payment.

"(b) Amounts paid as provided in subsection (a) shall be credited, (1) in the case of advance payments, to special working funds, or (2) in the case of payments other than advance payments, to the appropriations or funds against which charges have been made pursuant to any such order, except as herein-after provided. The Secretary of the Treasury shall establish such special working funds as may be necessary to carry out the provisions of this subsection. Such amounts paid shall be available for expenditure in furnishing the materials, supplies, or equipment, or in performing the work or services, or for the objects specified in such appropriations or funds. Where materials, supplies, or equipment are furnished from stocks on hand, the amounts received in payment therefor shall be credited to appropriations or funds, as may be authorized by other law, or, if not so authorized, so as to be available to replace the materials, supplies, or equipment, except that where the head of any such department, establishment, bureau, or office determines that such replacement is not necessary the amounts paid shall be covered into the Treasury as miscellaneous receipts.

"(c) Orders placed as provided in subsection (a) shall be considered as obligations upon appropriations in the same manner as orders or contracts placed with private contractors. Advance payments credited to a special working fund shall remain available until expended."

SEC. 802. (a) Notwithstanding the provisions of this title, such section 7, as in force prior to the date of the enactment of this act, shall remain in force with respect to the disposition of funds transferred thereunder prior to such date.

(b) Nothing in this title shall be construed to authorize any Government department or independent establishment, or any bureau or office thereof, to place any orders for material, supplies, equipment, work, or services to be furnished or performed by convict labor, except as otherwise provided by existing law.

(c) The provisions of this title are in addition to and not in substitution for the provisions of any other law relating to working funds.

Mr. BRIGGS. Mr. Chairman, I would like to ask the chairman of the Economy Committee what change this title makes in existing law, particularly the amendment of section 7 of the act making appropriation for fortifications and other works of defense.

Mr. McDUFFIE. I would like to ask the gentleman from Idaho [Mr. FRENCH] to answer the gentleman's question.

Mr. BRIGGS. What change does this Title VIII, particularly the amendment of section 7 of the so-called fortification act, make in existing law?

Mr. FRENCH. The essential provisions in the new language carry the idea of the law that has been on the books for 10 or 12 years into application as to all departments and bureaus of the Government, and permits one bureau or department to do work for another when it had facilities and the requesting bureau was without them.

I would say to the gentleman that the matter came to the attention of the Subcommittee on Appropriations handling the Navy Department appropriation in connection with hearings, where we found that the Navy Department was hampered when it undertook to do certain work for certain bureaus and departments of the Government, chiefly in the matter of not having funds with which to finance the work itself, and inability to arrange for the other department to transfer funds. To correct the situation in part we carried upon an appropriation bill a few years ago an authorization under which the Navy Department could set up a fund that should be known as a working fund for the purpose of handling work for other bureaus and departments of the Government. It worked well. It meant economies, and the fund would be used as a working fund to begin a job, and then moneys would be transferred from other bureaus or departments to this fund to replace the funds advanced.

Mr. BRIGGS. Is this an interchangeable fund? I mean is it a fund which is built up and available to some other department of the Government without being charged to the other department of the Government that is utilizing it, or not?

Mr. FRENCH. No; on the contrary, the money is chargeable to the department that received the appropriation from Congress; but it might call upon another department that has facilities to do the work.

Mr. McDUFFIE. May I ask the gentleman a question, with the permission of the gentleman from Texas?

The thing I am interested in most in reference to this section is whether or not the effect of this section would put the Government any farther into any kind of business than it already is with reference to these various departments.

Mr. FRENCH. It would permit one department that is doing a particular line of work, and is qualified to do that work, to do the work upon the request of another department and upon an agreement between the two departments to do that specific work. For instance, the Navy Department has navy yards. The Interior Department has no navy yards, but has one or two craft like the *Boxer*. The *Boxer* is used in connection with the work of the Indian Service in Alaskan waters, and under language carried in the appropriation a few years ago it was permitted to be overhauled for the Interior Department in one of the Government navy yards.

Mr. McDUFFIE. May I ask the gentleman further if, under the language of this bill, we have sufficiently provided that contracts may be let to private interests in the event those interests can do the work more cheaply than either of the departments can do it?

Mr. FRENCH. I think the whole matter is left to the discretion of the two departments involved as to whether or not the departments will avail themselves of the authority here granted.

Mr. McDUFFIE. But does not the gentleman think we ought to carry the same provision we have always carried on our appropriation bills, both for the building of ships, naval ships and others, that would give private interests an opportunity to do the work if they can do it as cheaply or more cheaply than the Federal Government?

Mr. FRENCH. I have no objection to the language carried heretofore.

[Here the gavel fell.]

Mr. DOUGLAS of Arizona. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may have five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRIGGS. Mr. Chairman, I am grateful for the time, for I am getting some real information. I want to ask the gentleman from Idaho this question: In the discussion we had over the consolidation provisions of the Army and Navy it was brought out that there were separate plants maintained by both the Army and Navy for the manufacture of clothing for the use of those services. Does this provision of the bill permit utilization of only one of those plants or factories without the utilization of both of them in the manufacture of clothing and enable the Government thereby to save substantial sums?

Mr. FRENCH. I should think that it would be possible to do just that thing under the language here.

Mr. BRIGGS. Does the gentleman know whether it has ever been utilized for that purpose?

Mr. FRENCH. No; because for many years the different services have had establishments of their own.

Mr. BRIGGS. Is it not possible, through the Appropriations Committee itself and by the regulation of appropriations, to force that sort of economy?

Mr. FRENCH. It would be possible; yes.

Mr. BRIGGS. The question in my mind is why it is not done, why the Army and Navy maintain two establishments for making clothing when one would do? This presents quite a different question from that involving the consolidation of the Army and the Navy into one unit for national defense. It seems to me, if this provision is capable of being utilized to promote savings and economies, it ought to be adopted; and such savings and economies ought to be encouraged as far as possible by action of the Appropriations Committee in denying any duplication of service.

Mr. FRENCH. I think the gentleman is correct; and may I say that the subcommittees of the Appropriations Committee have recognized from year to year that proposition, but on account of the fact that committees during the last 10 or 12 years did not initiate the projects, but rather found shops and plants in operation by different departments, with investments made by the Government, we could not effect the economies that would have seemed possible many times because of investments already made.

Mr. BRIGGS. This is an economy program; and when it comes down to fundamentals I think that everybody wants to have carried into effect throughout this Government the utmost economies of every kind which can be effected properly and still let the Government be carried on efficiently. Does not the Appropriations Committee think that with this support they can effect still further economies in the appropriations?

Mr. FRENCH. It is my judgment that it would be possible; yes.

Mr. BRIGGS. And they will pursue that course?

Mr. FRENCH. I should hope so.

Mr. STAFFORD. Mr. Chairman, the pending title should have some safeguarding provision. The ultimate purpose may be worthy, but I think it is not the intention of the committee or of the House to favor every Government utility being utilized to its maximum extent. Under this phraseology the departments would be relieved from calling upon private industry to meet the requirements of the Government. If, perchance, there was any activity in the governmental service, it would be forced to call upon that governmental activity for the performance of that work and not upon private contractors. I understand the gentleman from South Dakota [Mr. WILLIAMSON] has an amendment which will not prevent the Government from calling upon private industry to compete in Government work if, perchance, there happens to be any utility in the departmental service that can perform the work. It is not the intention of the Government to go into all kinds of work and to deprive private industry of work.

Mr. McDUFFIE. If the gentleman will yield, the gentleman from South Dakota and myself have just completed an amendment which we think will take care of that objection.

Mr. STAFFORD. Will the gentleman from South Dakota read his amendment for the information of the committee?

Mr. WILLIAMSON. I will read the amendment:

Provided, however, That if such work or services can be as conveniently or more cheaply performed by private agencies, such work shall be let by competitive bids to such private agencies.

Mr. STAFFORD. Where does the gentleman propose to offer that amendment?

Mr. WILLIAMSON. At page 53, after the word "payment," in line 12.

[Here the gavel fell.]

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: On page 53, after the word "payment" in line 12, strike out the period, insert a colon and the following:

"Provided, however, That if such work or services can be as conveniently or more cheaply performed by private agencies, such work shall be let by competitive bids to such private agencies."

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment to the amendment:

And provided further, That the Government department or any employees thereof would not be kept idle by so doing.

Otherwise you have no saving at all. The whole point is that if we have a Government department to do the work and we let out that work, even though it may be done slightly cheaper, and the employees of that Government department sit there idle, there will be no saving.

Mr. WILLIAMSON. I will say that as far as this interdepartmental work is concerned, the only purpose of it is to expedite Government work and permit it to be done by the agency best equipped. For illustration, several departments outside the Navy have vessels. Under this title they may go into a navy yard and have repair work done there. The Navy Department has very fine inspection service. Other departments use this inspection service for the inspection of materials and supplies.

Mr. LaGUARDIA. I think the amendment is too rigid, because if it only provides for economy we can only take into consideration the cost of that one job and overlook the cost of the overhead of that department.

The CHAIRMAN. Does the gentleman from New York desire to offer an amendment to the amendment?

Mr. LaGUARDIA. Mr. Chairman, I will not press my amendment, because it is involved; but, I submit, gentlemen, there will be no economy here at all.

Mr. McCORMACK. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. McCORMACK. Does not the gentleman think that instead of using the words "more cheaply" we should use the words "more conveniently and effectively"? That would cover everything.

Mr. WILLIAMSON. The amendment reads "conveniently or more cheaply."

Mr. McCORMACK. But would not the word "effectively" cover everything that the gentleman seeks to do?

Mr. McDUFFIE. If the gentleman will yield, I think the whole idea, as far as the gentleman from South Dakota and myself are concerned, was not to tie up all of this work so that the taxpayers with shipyards would have it all, but that some of those people who might be idle would have an opportunity to do some of the work.

Mr. LaGUARDIA. That was my point this morning in connection with the use of Army and Navy officers on public works.

Mr. McDUFFIE. But the gentleman now proposes to destroy the effect of this amendment by the words he wishes to add to the amendment.

Mr. LaGUARDIA. The gentleman thinks my amendment would do that?

Mr. McDUFFIE. I think so, absolutely.

Mr. LaGUARDIA. Then I withdraw the amendment.

Mr. WILLIAMSON. Mr. Chairman, the proviso I have offered should follow the word "concerned," in line 10, page 53.

The CHAIRMAN. Without objection, the correction will be made.

There was no objection.

Mr. FRENCH. Mr. Chairman, may I make this suggestion? We have carried in various appropriation bills where money has been appropriated for the doing of work, sometimes within establishments under the Government and sometimes by contract, language something like the language proposed in the amendment; but, as I recall the language, it usually has had a safeguarding clause to the effect that this could be done when the interests of the Government would not be disturbed. It seems to me that if we could let this language lie over we would have time to examine the language in acts where it has worked effectively in doing what the gentleman wants to do. I am agreeable to doing what the gentleman has in mind; but this language might have the effect of compelling the Government or some bureau to do work by contract and letting an agency of the Government stand idle, as the gentleman from New York has suggested, because it would be possible to have the work done by contract somewhat cheaper on a particular job than to have it done, for instance, in the Brooklyn Navy Yard or some other Government institution, although Government interests and convenience would be served by the latter course.

Mr. McDUFFIE. But the gentleman is overlooking some other workers who are not fortunate enough to be on the pay roll of the Government, but are in private shipyards, and there are a number of them walking the streets. They have added much to the long line of unemployment in this country.

Mr. FRENCH. I think, perhaps, the amendment goes too far.

Mr. McDUFFIE. If the amendment gives the men to whom I have referred an opportunity to do some of this work, certainly the gentleman does not want to deny it to them.

Mr. FRENCH. Not at all; but I think the amendment probably goes a little too far, and that the suggestion of the gentleman from New York [Mr. LaGUARDIA] is correct. It might be construed so rigidly as to tie up a navy yard or tie up an activity that could reasonably do the work, and ought to do the work.

Mr. McDUFFIE. But if we say, "If it can be as conveniently" that covers a lot of territory and if we add "more cheaply" that is going a long way.

Mr. WILLIAMSON. Perhaps we should add the words "as expeditiously" to the words "more cheaply."

Mr. McDUFFIE. That would be a matter of discretion with the head of the department.

[Here the gavel fell.]

Mr. FRENCH. Mr. Chairman, would the gentleman object to a unanimous-consent request that we may return to this matter at the next session of the committee for the consideration of this bill and then perfect this language?

Mr. McDUFFIE. I do not want to get in the habit of turning back, if I can prevent it. I am having enough of a struggle to go forward, but in view of the difference of opinion about this item, I am willing to agree to that.

Mr. FRENCH. Then I ask unanimous consent, Mr. Chairman, that this amendment be considered as pending upon the reconvening of the committee.

Mr. McDUFFIE. With the understanding, if the gentleman please, that it is the only thing under this title that can be considered when we return to it.

Mr. FRENCH. Yes.

Mr. DOUGLAS of Arizona. Mr. Chairman, for this afternoon I move that all debate on this title and all amendments thereto do now close.

Mr. CONNERY. Mr. Chairman, a parliamentary inquiry. Has the Chair put the unanimous-consent request?

The CHAIRMAN. The Chair has not, because this is a preferential motion. The Chair will later put the request.

The gentleman from Arizona moves that all debate on this title and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] asks unanimous consent that when the House again goes into Committee of the Whole that permission be given to return to this title for this one amendment only.

Mr. FRENCH. And any amendments thereto.

The CHAIRMAN. And any amendments thereto.

Mr. CONNERY. Mr. Chairman, reserving the right to object—and I dislike to object—but when the gentleman from Michigan [Mr. McLeod] made a similar request a short while ago, it was objected to.

Mr. FRENCH. I think the gentleman will be quite interested in the point of view I am pointing out, if I understand the district the gentleman represents.

Mr. CONNERY. In fairness to the gentleman from Michigan, who was refused a similar request, I feel constrained to object.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from South Dakota.

The question was taken; and on a division (demanded by Mr. McDuffie) there were—ayes 52, noes 18.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read Title IX.

The Clerk read as follows:

TITLE IX.—PROVISIONS APPLICABLE TO VETERANS
GENERAL ADJUSTMENT OF VETERANS' BENEFITS

SEC. 901. Notwithstanding the provisions of law in effect at the date of enactment of this act, except as to those persons who have attained the age of 65 years, or those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty as a result of and directly attributable to such service, or those persons who, in accordance with the World War veterans' act, 1924, as amended, or the laws granting military or naval pensions, are temporarily totally disabled or permanently and totally disabled as a result of disease or injury acquired in, or aggravated by, active military or naval service, or those persons who while in the active military or naval service engaged in actual combat with, were under actual fire of, or served in the zone of active hostilities against, the armed forces of the enemy in any war in which the United States was engaged, no allowance, compensation, retired pay, pension, hospitalization, or domiciliary care under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, the laws governing the granting of domiciliary care by the Veterans' Administration, or the emergency officers' retirement act of May 24, 1928, shall be payable or granted to any person whose net income as defined by the Administrator of Veterans' Affairs, was \$1,500 or over, if single, and \$3,500 or over, if married, for the year preceding the enactment of this act or the year preceding the filing of application for benefits, whichever is the later. The minimum amounts above specified shall be increased by \$400 for each person dependent upon the applicant during the period prescribed. Such benefits shall not be paid or granted during any year following that in which the net income plus allowance for dependents exceeds the prescribed amounts: *Provided*, That irrespective of the income for a preceding year, upon submission of proof satisfactory to the administrator of reduction in income during the current year below the amounts specified herein, when prorated monthly, such benefits as may otherwise be authorized shall be allowable from the date of administrative determination. Payments of Government insurance, allowance, compensation, retired pay, or pension shall not be considered as income within the provisions of this section. The Secretary of the Treasury is hereby directed, upon request, to transmit to the administrator a certificate containing the information required by the administrator to carry out the purposes of this section affecting each person who is applying for or receiving such allowance, compensation, retired pay, pension, hospitalization, or domiciliary care, and such certificate shall be conclusive evidence of the facts stated therein. As to allowance, compensation, retired pay, or pension being paid, or hospitalization or domiciliary care being furnished, at the date of enactment of this act, this section shall take effect six months after such date, and no continuance or granting of allowance, compensation, retired pay, pension, hospitalization, or domiciliary care shall thereafter be authorized except in accordance herewith. As to pending claims and claims filed after the date of enactment of this act, the provisions of this section shall take effect on such date: *Provided*, That this section shall not apply to such persons as are entitled to benefits described in this section on account of the death of any person who served in the active military or naval service.

VETERANS IN INSTITUTIONS

SEC. 902. The first two paragraphs of subdivision (7) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 480), are hereby amended to read as follows: "Effective as of the first day of the third calendar month following the month during which this amendatory act is enacted, where any person shall have been maintained as an inmate of the

United States Soldiers' Home, or of any national or State soldiers' home, or of St. Elizabeths Hospital, or maintained by the Veterans' Administration in an institution or institutions, for a period of 30 days or more, the compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, shall thereafter not exceed \$20 per month so long as he shall thereafter be maintained: *Provided*, That if such person has a wife, a child or children, or dependent parent or parents, the difference between the \$20 and the amount to which the veteran would otherwise be entitled except for the provisions of this subdivision may be paid to the wife, child or children, and dependent parent or parents in accordance with regulations prescribed by the administrator.

"All or any part of such compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, of any mentally incompetent inmate of such institution may, in the discretion of the administrator, be paid to the chief officer of said institution to be properly accounted for and to be used for the benefit of such inmate: *Provided, however*, That in any case where the estate of such mentally incompetent veteran without dependents, derived from funds paid under the war risk insurance act, as amended, the World War veterans' act, 1924, as amended, the laws governing the granting of Army and Navy pensions, or the emergency officers' retirement act of May 24, 1928, equals or exceeds \$3,000, payment of compensation, pension, allowance, or retired pay shall be discontinued until the estate is reduced to \$3,000, and this proviso shall apply to payments due or accruing prior or subsequent to the date of enactment of this amendatory act: *Provided further*, That if such person shall be discharged from such institution as competent, such sum shall be paid as is held in trust for him by the United States or any chief officer of an institution as a result of the laws in effect prior and/or subsequent to the enactment of this amendatory act: *Provided further*, That if in the judgment of the administrator a mentally incompetent person without dependents, receiving compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, requires institutional care for his mental condition and his guardian or other person charged with his custody refuses to accept or permit the continuance of the institutional care offered or approved by the administrator, compensation, pension, allowance, or retired pay under the emergency officers' retirement act of May 24, 1928, payable, shall not exceed \$20 per month so long as the need for such institutional care shall continue. The administrator in his discretion, upon showing of proper treatment in a recognized reputable private institution may waive the reduction provided by this subdivision."

EMERGENCY OFFICERS' RETIRED PAY

SEC. 903. (a) In the administration of the act of May 24, 1928, entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War" (U. S. C., Supp. V, title 38, secs. 581 and 582), no officer or former officer shall receive retired pay thereunder, unless he served as a member of the Military or Naval Establishment between April 6, 1917, and November 11, 1918, inclusive, and within such period actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to such service, or unless he served a period of 90 days or more between April 6, 1917, and November 11, 1918, inclusive, and actually contracted a disease or suffered an injury in line of duty as the result of and directly attributable to service between November 12, 1918, and July 2, 1921, inclusive, and unless he has been or is found by the former Veterans' Bureau or the Veterans' Administration to be not less than 30 per cent permanently disabled as a result thereof prior to May 24, 1928, or within one year thereafter, in accordance with the rating schedule and amendments promulgated pursuant to subdivision (4) of section 202 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 477), in force at that time, and unless he is found by the Veterans' Administration to be not less than 30 per cent permanently disabled at the time of the enactment of this act under such rating schedule as amended and in effect at the date of the enactment of this act: *Provided*, That no person shall be retired without pay except in accordance with the foregoing provisions of this section, except that the degree of disability required for retirement without pay shall be less than 30 per cent and more than 10 per cent permanent disability.

(b) The Veterans' Administration is hereby authorized and directed to review all claims heretofore filed under the emergency officers' retirement act of May 24, 1928, and to remove from the rolls of retired emergency officers the names of such officers as are not found to be entitled to retirement under subdivision (a) of this section. The Administrator of Veterans' Affairs is further authorized and directed to cause to be certified to the Secretary of War or the Secretary of the Navy, as the case may be, the names of those officers who are removed from the rolls, and the Secretary of War and the Secretary of the Navy are hereby authorized and directed to drop from the emergency officers' retired list and the Army and Navy Registers the names of such officers. Payment of emergency officers' retired pay, in the case of any officer whose name is removed from the rolls or transferred to the list of those retired without pay by reason of the provisions of this section, shall cease on the first day of the third calendar month following the month during which certification or transfer is made, as the case may be. The Administrator of Veterans' Affairs is hereby authorized and directed to transfer the name of each officer removed from the rolls of those entitled to emergency officers'

retired pay, to the compensation rolls of the Veterans' Administration, and to pay, commencing with the first day of the third calendar month following the month during which certification is made by the administrator of the name of the officer removed from the rolls, as herein provided, compensation in accordance with the provisions of the World War veterans' act, 1924, as amended, notwithstanding that no previous application for compensation has been made.

(c) The review of all claims authorized and directed under subdivision (b) of this section shall be final, except for one reconsideration. No rerating or review shall thereafter be authorized in such claims.

(d) After the expiration of one year following the enactment of this act no review, appeal, or other consideration shall be authorized in connection with any claim for emergency officers' retirement upon which a decision has at any time been rendered by the Veterans' Administration or Bureau.

(e) No person shall be entitled to benefits under the provisions of this section, except he shall have made valid application under the provisions of the emergency officers' retirement act of May 24, 1928.

(f) All provisions of the emergency officers' retirement act of May 24, 1928, in conflict with or inconsistent with the provisions of this section are hereby modified and amended to the extent herein specifically provided and stated as of the date of enactment, May 24, 1928.

REPEAL OF PER DIEM ALLOWANCES

SEC. 904. Section 203 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 492), is hereby amended to read as follows:

"Sec. 203. That every person applying for or in receipt of compensation for disability under the provisions of this title and every person applying for treatment under the provisions of subdivisions (9) or (10) of section 202 hereof, shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of the United States or by a duly qualified physician designated or approved by the administrator. He may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the administrator, be paid his reasonable traveling and other expenses. If he shall neglect or refuse to submit to such examination, or shall in any way obstruct the same, his right to claim compensation under this title shall be suspended until such neglect, refusal, or obstruction ceases. No compensation shall be payable while such neglect, refusal, or obstruction continues, and no compensation shall be payable for the intervening period."

LIMITATION OF RETROACTIVE BENEFITS

SEC. 905. Section 205 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 494), is hereby amended to read as follows:

"Sec. 205. The Veterans' Administration may at any time review a claim for benefits under this act, or the laws governing the granting of Army and Navy pensions, and in accordance with the facts found and the law applicable, award, end, diminish, or increase allowance, compensation, or pension, but no allowance, compensation, or pension shall be awarded as a result of such review for any period more than six months prior to date of administrative determination. Where the time for appeal prescribed by regulations has expired a claimant may make application for review upon the evidence of record at the time of the last adjudicatory action but no allowance, compensation, or pension, or increased allowance, compensation, or pension, as a result of such review, shall be awarded for any period more than six months prior to date of application. No review of any claim shall be made except as provided herein. Except in cases of fraud participated in by the beneficiary, no reduction in allowance, compensation, or pension shall be made retroactive, and no reduction or discontinuance of allowance, compensation, or pension shall be effective until the first day of the third calendar month next succeeding that in which such reduction or discontinuance is determined. The proviso in the paragraph under the heading 'Pension Office,' in the act entitled 'An act making appropriations to supply further urgent deficiencies in the appropriations for the fiscal year ending June 30, 1894, and for prior years, and for other purposes,' approved December 21, 1893 (U. S. C., title 38, sec. 56), is hereby repealed: *Provided*, That as to those persons who served in the active military or naval forces and who actually suffered an injury or contracted a disease in line of duty and as the result of and directly attributable to combat with the enemy during war service, the limitations of this section shall not apply."

TRANSFER FROM COMPENSATION TO PENSION ROLLS

SEC. 906. The first paragraph of section 200 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 471), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That where no active military or naval service was rendered between April 6, 1917, and November 11, 1918, no compensation shall be payable for disability or death resulting from injury suffered or disease contracted during active service in an enlistment entered into after November 11, 1918, or for aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered or contracted in, or such recurrence was caused by, the active military or naval service in an enlistment entered into after November 11, 1918: *Provided further*, That the Administrator of

Veterans' Affairs is hereby authorized and directed to transfer to the general pension rolls for the Regular Establishment the names of those persons in receipt of compensation who, by reason of the enactment of this amendatory act are no longer entitled to compensation, and to pay such persons pension in accordance with the rates provided for under the general pension laws, but this transfer shall not take effect until six months following the date of the enactment of this amendatory act: *Provided further*, That this act, as amended, and the laws governing the granting of Army and Navy pensions shall not be construed to deny the right of any person to receive pension on account of active military or naval service subsequent to November 11, 1918: *Provided further*, That the provisions of section 602 of this act, as amended, shall not be construed to authorize the payment of compensation contrary to the provisions of this amendatory act."

TESTIMONY IN SUITS UPON INSURANCE CLAIMS

SEC. 907. The first paragraph of section 19 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, sec. 445), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"*Provided further*, That in any suit tried under the provisions of this section the court shall not receive, admit, or entertain the testimony of any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, and the date of issuance of the letter of disagreement required by this section shall be the date of denial of the claim, except that if in a preliminary proceeding prior to trial of the claim sued upon, it is shown by the plaintiff to the satisfaction of the court that relevant and material testimony is available from any person whose statement has not been submitted to the United States Veterans' Bureau or the Veterans' Administration prior to the denial of the claim sued upon, the court shall stay all proceedings in the suit until the statement of such person is submitted to the Administrator of Veterans' Affairs who shall cause the claim to be immediately reviewed, and in case the administrator allows such claim, the suit shall be dismissed, but if the administrator disallows the claim, such person may be a witness in the trial of the cause: *Provided further*, That the last preceding proviso shall apply to all suits pending on the date of the enactment of this amendatory act against the United States under the provisions of the war risk insurance act, as amended, or this act, as amended."

REVIVAL OF GOVERNMENT INSURANCE RESTRICTED

SEC. 908. Sections 305 and 309 of the World War veterans' act, 1924, as amended (U. S. C., Supp. V, title 38, secs. 516, 516b), are hereby repealed as of the date of their enactment, and notwithstanding the provisions of section 602 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 571), no additional payments shall be made under such sections or the third proviso of section 408 of the war risk insurance act, as amended, except to those persons actually receiving payments on the date of enactment of this act, or in those claims where, prior to the date of the enactment of this act, it has been determined by the Veterans' Administration that all or part of the insurance is payable under such sections and the interested person or persons entitled thereto have been informed of such determination: *Provided*, That where a beneficiary receiving insurance payments under such sections dies and there is surviving a widow, child or children, or dependent mother or father, of the veteran, the remaining unpaid installments shall be paid to the following permitted class of beneficiaries in the following order of preference: (1) To the widow of the veteran if living at date of death of the beneficiary; (2) if no widow, then to the child or children of the veteran, share and share alike; (3) if no wife, child, or children, then to the dependent mother of the veteran; (4) if no wife, child or children, or dependent mother, then to the dependent father of the veteran, but no payments under this proviso shall be made to the heirs or legal representatives of any beneficiaries in the permitted class who die before receiving the monthly installments to which they are entitled, and the remaining unpaid installments shall be paid to the beneficiary or beneficiaries in the order of preference prescribed in this proviso: *Provided*, That this section shall not be construed to affect any claim wherein it is determined by the Administrator of Veterans' Affairs that the insured actually contracted disease or suffered injury in line of duty between April 6, 1917, and November 11, 1918, inclusive, as the result of and directly attributable to actual combat with the enemy during war service, and as the result of such disease or injury, dies or has died or becomes or has become permanently and totally disabled, and as to those cases adjudication shall be made under the law in effect prior to the enactment of this act, in the same manner as if this act had not been enacted, except that the first proviso of section 305 of the World War veterans' act, 1924, as amended, limiting the class of beneficiaries, shall be applicable to any case payable under this section: *Provided further*, That the uncollected compensation available under the provisions of the law in effect prior to the enactment of this act must be based upon disease or injury as described in this section.

LIMITATION UPON ATTORNEYS' FEES IN INSURANCE SUITS

SEC. 909. The proviso preceding the last sentence in section 500 of the World War veterans' act, 1924, as amended (U. S. C., title 38, sec. 551), is hereby amended to read as follows:

"*Provided, however*, That wherever a judgment or decree shall be rendered in an action brought pursuant to section 19 of Title I of this act the court, as a part of its judgment or decree, shall determine and allow reasonable fees for the attorneys of the success-

ful party or parties and apportion same if proper, said fees not to exceed 10 per cent of the amount found due under the judgment or decree and to be paid by the Veterans' Administration out of the payment made under the judgment or decree."

JOINT COMMITTEE ON VETERANS' LAWS

SEC. 910. There is hereby created a joint congressional committee which shall be composed of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Such committee shall conduct a thorough investigation of the operation of the laws and regulations relating to the relief of veterans of all wars and persons receiving benefits on account of service of such veterans and report a national policy with respect to such veterans and their dependents. The committee shall report to the Senate and House of Representatives not later than February 1, 1933, the results of its investigation, together with such recommendations for legislation as it deems advisable.

The committee is authorized to sit and act, whether or not the Senate or House of Representatives is in session, at such times and places as it may deem advisable, and to call upon various departments of the Government for such information and for such clerical assistance as may be necessary, using the services of employees on the Government pay roll.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11267, the legislative appropriation bill, and had come to no resolution thereon.

EXTENSION OF REMARKS—NATIONAL DEFENSE REORGANIZATION ACT

Mr. WIGGLESWORTH. Mr. Speaker, I am opposed to the proposed consolidation of the Department of War and the Department of the Navy embodied in title 6 of the pending bill. I am opposed to it as a member of the Committee on Expenditures in the Executive Departments, which, after almost 300 pages of hearings, by emphatic vote, recorded its opposition to the consolidation. I am opposed to it on broad policy and for the very simple reason that in my judgment its proponents have failed entirely to date to sustain the burden of proof which is rightly theirs. They have failed to show any substantial economy not otherwise obtainable. They have failed to show that consolidation can be effected without risk of impairment of national defense as a whole.

The testimony of proponents of consolidation appearing before the Committee on Expenditures in the Executive Departments was entirely inconclusive and for the most part sheer generalization. It is true that our colleague from Tennessee, the chairman of the Committee on Appropriations [Mr. BYRNS], stated to the committee that he was prepared to stake such reputation as he then enjoyed that savings amounting to one hundred millions of dollars could be realized through consolidation in a comparatively short time. He filed no bill of particulars, however. He offered no evidence as a basis for any such opinion. No authoritative evidence was offered by any witness of substantial economy through consolidation which could not be effected without it. Opponents of consolidation characterized the suggested savings as absurd. They referred to substantial savings already effected in each of the two departments, to further and substantial savings resulting from cooperation between the departments, and indicated that in their opinion the suggested consolidation might well result in an actual increase rather than a decrease in expenditure.

Proponents of consolidation had little to offer the committee in respect to possible injury to our system of national defense other than their individual opinions that no impairment would result. Opponents of consolidation brought to the committee a wealth of opinion from important nations in the world, indicating a serious risk of impairment if the proposed consolidation should be adopted.

In Great Britain, for example, in March of 1931, a committee on national expenditure was appointed by the Chancellor of the Exchequer, at the request of Parliament, to make recommendations for effecting forthwith all practi-

cable and legitimate reductions in the national expenditure consistent with the efficiency of the services. The committee was composed of a very able body of men under the chairmanship of Sir George Ernest May. Their report was submitted in July of 1931. Here is what the committee had to say in respect to consolidation such as is now proposed:

We have given very careful consideration to this question, because there is undoubtedly a widespread impression in the public mind that large savings might be made in the cost of national defense by some form of amalgamation of the three services under a single minister. We are, of course, primarily interested in the question from the point of view of its effect on the actual cost of the fighting services, but we can not forget that in the search for true economy it is essential to take the wider view and consider the effect of any far-reaching change of system on the efficiency of the service.

Our conclusion, after careful review of all the evidence, is that no substantial reduction of cost would follow from the creation of a ministry of national defense, and that, on the contrary, there would be a serious risk that the efficiency of the services might be impaired by the alteration of system involved. We have therefore rejected any idea of economy by this method, and we hope that our conclusion will be accepted as finally disposing of the suggestion that millions of money could be saved by the formation of a ministry of defense.

A similar finding in Great Britain was reached in 1922 by a committee set up by the British Cabinet under the chairmanship of Sir Alfred Mond to make proposals for amalgamation of the common services of the navy, army, and air force, such as intelligence, supply, transport, education, medical, chaplains, and any other overlapping departments in order to reduce the cost of the existing triplicate system. I quote from the report of the committee:

After a preliminary discussion, we were disposed to think that by the complete amalgamation of some of the common services, if practicable, substantial economies could be effected. After careful consideration we came to the conclusion that the amalgamation of the common services of the three departments is not advisable, and we doubt if any substantial economies would therein be effected.

Our own findings have been to the same effect. Two congressional committees have investigated the matter within the past eight years. Neither recommended consolidation. The so-called Morrow board, appointed in 1925 and consisting of nine members under the chairmanship of the late Hon. Dwight W. Morrow, with representation from both Senate and House, also investigated the matter thoroughly. By unanimous vote the committee recorded its opposition to the proposed consolidation. I quote from the report of the committee:

We do not recommend a department of national defense, either as comprising the Army and the Navy or as comprising three coordinate departments of Army, Navy, and Air. The disadvantages outweigh the advantages.

Should there be formed a separate department for air, coordinate with the present departments of War and Navy?

Our answer is no.

The quoted opinion of General Pershing and the direct testimony of General Summerall, General Hines, and General Ely, of Admiral Sims, Admiral Eberle, Admiral Robison, Admiral Coontz, and Admiral Hughes stressed the need of the Army and of the Navy for their own services. Modern military and naval operations can not be effectively conducted without such services acting as integral parts of a single command. Moreover, the training of these air services that are to act with the Army and with the Navy must be under the continuous direction and control of the command which is ultimately to use them. In these conclusions and principles we concur.

The experience of the world generally speaking is opposed to consolidation. No great country with problems similar to our own has embarked on a permanent policy of consolidation. It is true that the Government of France has recently attempted consolidation by decree, but the attempt is of such recent date as to be entitled to consideration only as an experiment and is said to be the source of acrimonious discussion at this time in Parliament and elsewhere.

The Secretary of War is opposed to consolidation. The Secretary of the Navy is opposed to it. The Chief of Staff of the Army, the Chief of Naval Operations, and many others whose experience and qualifications fit them to give expert testimony in the matter are unalterably opposed to it. The brilliant officer who now serves as Chief of Staff of the Army goes so far in a letter addressed to a member of the

Committee on Expenditures in the Executive Departments as to state that he knows of "no responsible soldier or sailor in the whole gamut of history who has advocated such a plan as is now proposed." He writes as follows:

You have asked for an informal expression of my views concerning the project for amalgamating the War and Navy Departments into a single bureau of government.

No other measure proposed in recent years seems to me to be fraught with such potential possibilities of disaster for the United States as is this one. The proven agencies which have successfully conducted this country through six wars in a period of 125 years are now under the apparent dictation of a measure of economy to be launched on an adventure which, under certain conditions, might involve the very life of the Nation.

Not only the military history of this country but of every other country gives indisputable proof of the advantages of maintaining in time of war the integral control of the two great branches of national defense—the Army and the Navy. Each must be free to perform its mission unhindered by any centralized and ponderous bureaucratic control. To those who have had practical experience in the conduct of war this principle is so basic and clear that it seems almost impossible that serious thought could be given to any other arrangement. I know of no responsible soldier or sailor in the whole gamut of history who has advocated such a plan as is now proposed. From the beginning of armies and navies the whole mass of testimony, not only of the great captains of history but of all those students who have written upon the subject, has been practically unanimous in this matter. When the Congress of the United States in 1798, for specific and cogent reasons, abandoned the unsuccessful attempt to administer the two great fighting services through a single department, it was but conforming to the lessons of history, to the accumulated experience of civilized peoples, and to the dictates of logic. Fighting on the sea and fighting on the land have no elements in common, except in so far as they are both engaged in the ultimate mission of victory. Separate commanders, specialized staffs, particularized training, and individual supply arrangements must remain as essentials for each. I will not attempt to burden you with a repetition of the manifold arguments along this line which have already been advanced. I merely wish to emphasize that I give it as my fixed opinion that such an amalgamation as proposed would endanger victory for the United States in case of war.

As I understand it, however, the motivation of the proposition is not efficiency but economy. This feature of the subject has been discussed for weeks by your committee, and by other similar groups at various periods during the past decade, yet I challenge anyone to show a single major line of operation along which important economies could be effected without dangerously impairing efficiency. The proponents of economy have been unable to develop a concrete program outlining its factors. The basic hope they have advanced seems to be built upon the thought that the amalgamation will do away with certain overhead expenses. Small and trivial concrete cases have been cited of possible overlapping, and from these trivialities an opinion has been expressed that great economies may be accomplished by their elimination. The contrary result would obtain. Formation of the great organization proposed would not materially lessen the necessity for the separate logistical, administrative, and training staffs now existing, but would at once attract to itself a group of officers, civil officials, clerks, and others, which would probably exceed in cost and size during the course of time anything that this Nation has ever experienced.

The history of government demonstrates that the parasitical development of bureaucracy springs from the setting up of superfluous échelons of control, such as the one proposed. Although I recognize the possibility of effecting relatively unimportant economies in isolated activities, the ultimate cost of this superimposed structure would, in my opinion, exceed by millions any economies that could be safely effected. The super-Cabinet officer at its head could not fail to be the acquirer of one of the largest and undoubtedly the most powerful governmental organizations the United States has ever known. New buildings, new schools for the training of the composite soldier-sailor, new staffs, all with their additional cost, would be built up at the top of such a groupment. Rather than economy, this amalgamation would, in my opinion, represent one of the greatest debauches of extravagance that any nation has ever known.

The nations of the world have not all been wrong for all time. If it had been advantageous for governments to accomplish such organization as is now suggested, it would have been done decades, or even centuries, ago. The ingenuity of man has never found such outlet in any other channel as in that concerning war. This bill would run counter to the experience of the world.

I can not emphasize too strongly the inadvisability of the serious consideration of this change in the face of the international situation that now exists. The instability, the uncertainty, the loss of morale among the combatant forces that would be entailed by acrimonious discussions along this line, seem to me to be fraught with such peril to the Government that even if everything that were said in favor of this bill by its proponents were true, I still would give my most solemn counsel to suspend action until the world has reached a condition of approximate normalcy.

I am not going to burden you with a further detailed discussion, but this note represents the epitome of my professional opinion

in accordance with your verbal request. Pass this bill and every potential enemy of the United States will rejoice.

In the light of opinion of this character, in the light of experience at home and abroad, in the light of the testimony at the hearings before the Committee on Expenditures in the Executive Departments, it is impossible for me to support the proposed consolidation.

Under title 4 of the bill under consideration the House has authorized the President, by Executive order subject to veto by either Senate or House, to reorganize, consolidate, or eliminate existing Federal agencies or their functions. This should make possible the elimination of minor duplications of activity or expense by the two departments.

To adopt the proposed consolidation is to embark upon a radical change of policy in our system of national defense. To make this radical change at this time in the absence of convincing proof of substantial economy not otherwise obtainable without injury to our national defense is, in my judgment, foolhardy. Considerations of economy can not be allowed to jeopardize adequate national defense. The present time is no time for crippling the organization upon which the safety and very life of the Nation may depend.

I hope sincerely that the amendment offered by my distinguished colleague from Oregon, General MARTIN, striking from the bill the whole of title 6, providing for consolidation of the Department of War and the Department of the Navy, will prevail.

LEAVE OF ABSENCE

By unanimous consent, the following leave of absence was granted—

To Mr. BOYLAN, indefinitely, on account of illness; and

To Mr. CORNING, indefinitely, on account of illness.

ORDER OF BUSINESS

Mr. TINKHAM. Mr. Speaker, I desire to withdraw a bill that was referred to the Committee on the Judiciary April 26, H. R. 11640. It was introduced by error of a clerk in my office.

The SPEAKER. The bill has been introduced, referred to the committee, printed, and sent to the libraries all over the country. The Chair does not see what the gentleman can accomplish by withdrawing it. Is there objection to the request of the gentleman from Massachusetts?

Mr. LAGUARDIA. The chairman of the Judiciary Committee is not here, and I ask the gentleman to withdraw it for the present.

Mr. TINKHAM. I will withhold the request.

Mr. McDUFFIE. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. McDUFFIE. Under the rules of the House, can we by unanimous consent proceed with this legislation on next Monday?

The SPEAKER. The House can do almost anything by unanimous consent.

Mr. McDUFFIE. Then I ask unanimous consent to proceed with the economy program on Monday next and set aside unanimous-consent day.

Mr. CONNERY. Reserving the right to object, I have heard Members who have left say that this bill would not be taken up again until next Tuesday.

Mr. McDUFFIE. Mr. Speaker, I withdraw the request.

Mr. LAGUARDIA. I understood the Speaker to announce that next Monday was unanimous-consent day.

The SPEAKER. Unanimous-consent and suspension day.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1196. An act authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have, or claim to have, against the United States, and for other purposes; to the Committee on Indian Affairs.

S. 4123. An act to amend the District of Columbia traffic acts, as amended; to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7119. An act to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes.

ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until Monday, May 2, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Monday, May 2, 1932, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON WAYS AND MEANS

(10 a. m.)

To continue hearings on soldiers' bonus.

COMMITTEE ON LABOR

(10 a. m.)

Providing farming opportunities for destitute and unemployed persons (H. R. 11055 and H. R. 11056).

COMMITTEE ON AGRICULTURE

(10 a. m.)

Hearings on bill providing for grasshopper control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on Indian Affairs. H. R. 8328. A bill to provide funds for cooperation with the school district at Nespelem, Wash., in the construction of a public-school building to be available to Indian children of the Colville Indian Reservation; without amendment (Rept. No. 1172). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 10274. A bill to amend the act approved March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes" (45 Stat. 1512); without amendment (Rept. No. 1173). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARE: Committee on Insular Affairs. H. R. 10867. A bill to authorize the issuance of bonds by the St. Thomas Harbor Board, Virgin Islands, for the acquisition or construction of a graving or dry dock; without amendment (Rept. No. 1174). Referred to the House Calendar.

Mr. BOWMAN: Committee on the District of Columbia. H. R. 9065. A bill to supervise and regulate the sale of securities within the District of Columbia; with amendment (Rept. No. 1175). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 8619. A bill for the relief of Nellie Oliver; without amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. JOHNSON of Oklahoma: Committee on Military Affairs. H. R. 8620. A bill for the relief of Catherine L. Merrill; without amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREGORY: A bill (H. R. 11731) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Women's Club of the city of Paducah, Ky., the silver service in use on the U. S. S. *Paducah*; to the Committee on Naval Affairs.

By Mr. McSWAIN (by request): A bill (H. R. 11732) to amend section 2 of an act approved February 25, 1929 (45 Stat. 1303), to complete the acquisition of land adjacent to Bolling Field, D. C., and for other purposes; to the Committee on the District of Columbia.

By Mr. CABLE: A bill (H. R. 11733) to exclude and expedite the deportation of alien communists; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 11734) to provide for payment of drainage assessments upon certain restricted Indian lands in Stephens County, Okla.; to the Committee on Indian Affairs.

By Mr. COLTON: A bill (H. R. 11735) to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation, and for other purposes; to the Committee on Indian Affairs.

By Mr. FISH: Resolution (H. Res. 203) creating a Special Committee on Public Works with a view to the relief of unemployment; to the Committee on Rules.

By Mr. KELLY of Pennsylvania: Joint resolution (H. J. Res. 376) to authorize the Reconstruction Finance Corporation to extend loans to counties, cities, and other subdivisions for unemployment relief; to the Committee on Banking and Currency.

By Mr. SIMMONS: Joint resolution (H. J. Res. 377) making funds available for grasshopper control; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 11736) granting an increase of pension to Jennie M. Knopp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11737) granting a pension to Edith Albers Leonard; to the Committee on Pensions.

By Mr. CRAIL: A bill (H. R. 11738) for the relief of Cairo Davis; to the Committee on Military Affairs.

By Mr. ESTEP: A bill (H. R. 11739) for the relief of Maj. Edwin M. Scott; to the Committee on Military Affairs.

By Mr. KURTZ: A bill (H. R. 11740) granting an increase of pension to Miranda C. Imler; to the Committee on Invalid Pensions.

By Mr. McREYNOLDS: A bill (H. R. 11741) granting a pension to Amanda Tate; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 11742) granting an increase of pension to Philip Eichhorn; to the Committee on Pensions.

By Mr. MILLIGAN: A bill (H. R. 11743) granting an increase of pension to Lucy F. Alley; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 11744) granting a pension to Fannie Spigle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11745) granting a pension to Haden M. Klinefelter; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 11746) granting a pension to Ethena T. Weeks Cowan; to the Committee on Invalid Pensions.

By Mr. SCHAFER: A bill (H. R. 11747) for the relief of Joseph Pofek; to the Committee on Military Affairs.

By Mr. WATSON: A bill (H. R. 11748) to place Frank Schoble, jr., on the retired list of the United States Army as a captain; to the Committee on Military Affairs.

By Mr. WHITE: A bill (H. R. 11749) granting an increase of pension to Margaret Mulvihill; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7287. By Mr. BEAM: Resolution by Group No. 1570 of the Polish National Alliance, memorializing Congress to enact House Joint Resolution 144, directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

7288. By Mr. CRAIL: Petition of substitute postal clerks of Los Angeles, Calif., favoring legislation designed to give relief to substitute postal employees; to the Committee on the Post Office and Post Roads.

7289. By Mr. GARBER: Petition of citizens of the eighth district and of Oklahoma, urging passage of bonus bill; to the Committee on Ways and Means.

7290. Also, petition of citizens of Fort Wayne, Ind., urging passage of the Keller bill, H. R. 9891; to the Committee on Interstate and Foreign Commerce.

7291. Also, petition of citizens, urging support to prevent any reduction in salary or any change in working standards now pending against post-office employees; to the Committee on Economy.

7292. By Mr. JAMES: Petition from 45 members of the Fritz Frederickson Post, No. 350, of the American Legion, Ramsay, Mich., protesting against the proposed \$80,000,000 cut in the disabled veterans' compensation, disability allowance, and hospitalization fund; to the Committee on World War Veterans' Legislation.

7293. By Mr. KADING: Petition signed by citizens of Dodge and Jefferson Counties, Wis., protesting against the enactment of legislation of compulsory Sunday observance; to the Committee on the District of Columbia.

7294. By Mr. KELLER: Petition of C. L. Baker, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7295. Also, petition of J. H. Smith, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7296. Also, petition of B. F. Rushing, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7297. Also, petition of Luther H. Meininger, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7298. Also, petition of Homer C. Cutler, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7299. Also, petition of Hugh E. Stearns, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7300. Also, petition of J. Earl Johnson, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7301. Also, petition of C. R. Stevenson, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7302. Also, petition of F. E. Deason, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7303. Also, petition of George L. Gher, of Carbondale, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7304. Also, petition of Mary J. Smith, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7305. Also, petition of William H. Whitaker, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7306. Also, petition of Charles E. Glass, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7307. Also, petition of W. J. Gillespie, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7308. Also, petition of Eliza E. Redman, of Cairo, Ill., protesting against the proposed reductions in Federal salaries; to the Committee on Economy.

7309. Also, petition of Cecil O. Franklin, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7310. Also, petition of Lawrence Allen, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7311. Also, petition of Frank Dorris, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7312. Also, petition of Margaret Drake, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7313. Also, petition of Wesley Briley, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7314. Also, petition of C. N. Williams, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7315. Also, petition of Dr. N. J. McCollum, of West Frankfort, Ill., protesting against the proposed reduction of Federal salaries; to the Committee on Economy.

7316. Also, petition of J. O. Davis, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7317. Also, petition of Oral L. Davis, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7318. Also, petition of Helen Absher, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7319. Also, petition of M. C. Nolen, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7320. Also, petition of H. O. Absher, of West Frankfort, Ill., protesting against the proposed reductions of Federal salaries; to the Committee on Economy.

7321. By Mr. MEAD: Petition of employees of the post office at Paris, Tex., concerning wage reduction; to the Committee on Economy.

7322. By Mr. PARKER of Georgia: Petition of W. M. Rocker, of McBean, Ga., and eight other citizens of Georgia, urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

7323. By Mr. PARTRIDGE: Petition of Frank H. Gray and other railway telegraphers of Wiscasset, Me., and vicinity, urging enactment of House bill 9891 and opposing the enactment of House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7324. Also, petition of A. W. Dean and 75 other residents of Leeds Junction, Me., and vicinity, urging the enactment of House bill 9891 and opposed to the enactment of House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7325. By Mr. RUDD: Petition of the Disabled Emergency Officers of the World War, with reference to section 903 of the proposed economy bill; to the Committee on Economy.

7326. Also, petition of Central Supply Association, Chicago, Ill., favoring the balancing of the Budget; to the Committee on Appropriations.

7327. Also, petition of Commander Elmer Bennett Post, American Legion, New York City, protesting against proposed World War veterans' disability reduction; to the Committee on Economy.

7328. Also, petition of Murray Klein, Brooklyn, N. Y., protesting against the elimination of Federal aid for vocational education; to the Committee on Economy.

7329. Also, petition of Rand McNally & Co., New York City, favoring striking out section 5 of House bill 10976; to the Committee on Patents.

7330. By Mr. SMITH of West Virginia: Resolution of the Price Hill Safety Club, of Price Hill, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7331. Also, resolution of the Slab Fork Safety Club, of Slab Fork, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7332. Also, resolution of Earling Mine Safety Club, of Earling, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7333. Also, resolution of the Gauley Mountain Safety Club, of Ansted, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7334. Also, resolution of the Mahan Safety Club, of Mahan, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7335. Also, resolution of the Stirrat Safety Club, of Stirrat, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7336. Also, resolution of the Mabscott Safety Club, of Mabscott, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7337. Also, resolution of the Winding Gulf Safety Club, of Winding Gulf, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7338. Also, resolution of the Amherst Safety Club, of Amherstdale, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7339. Also, resolution of the Kiwanis Club, of Charleston, W. Va., opposing the Evans bill (H. R. 5840); to the Committee on the Public Lands.

7340. By Mr. SUTPHIN: Petition of Joyce Kilmer Post, No. 25, American Legion, opposing reduction of veterans' compensation; to the Committee on Appropriations.

7341. By Mr. WILLIAMSON: Petition of 394 citizens of South Dakota, protesting against the passage of House bill 8092, or any other compulsory Sunday-observance legislation; to the Committee on the District of Columbia.